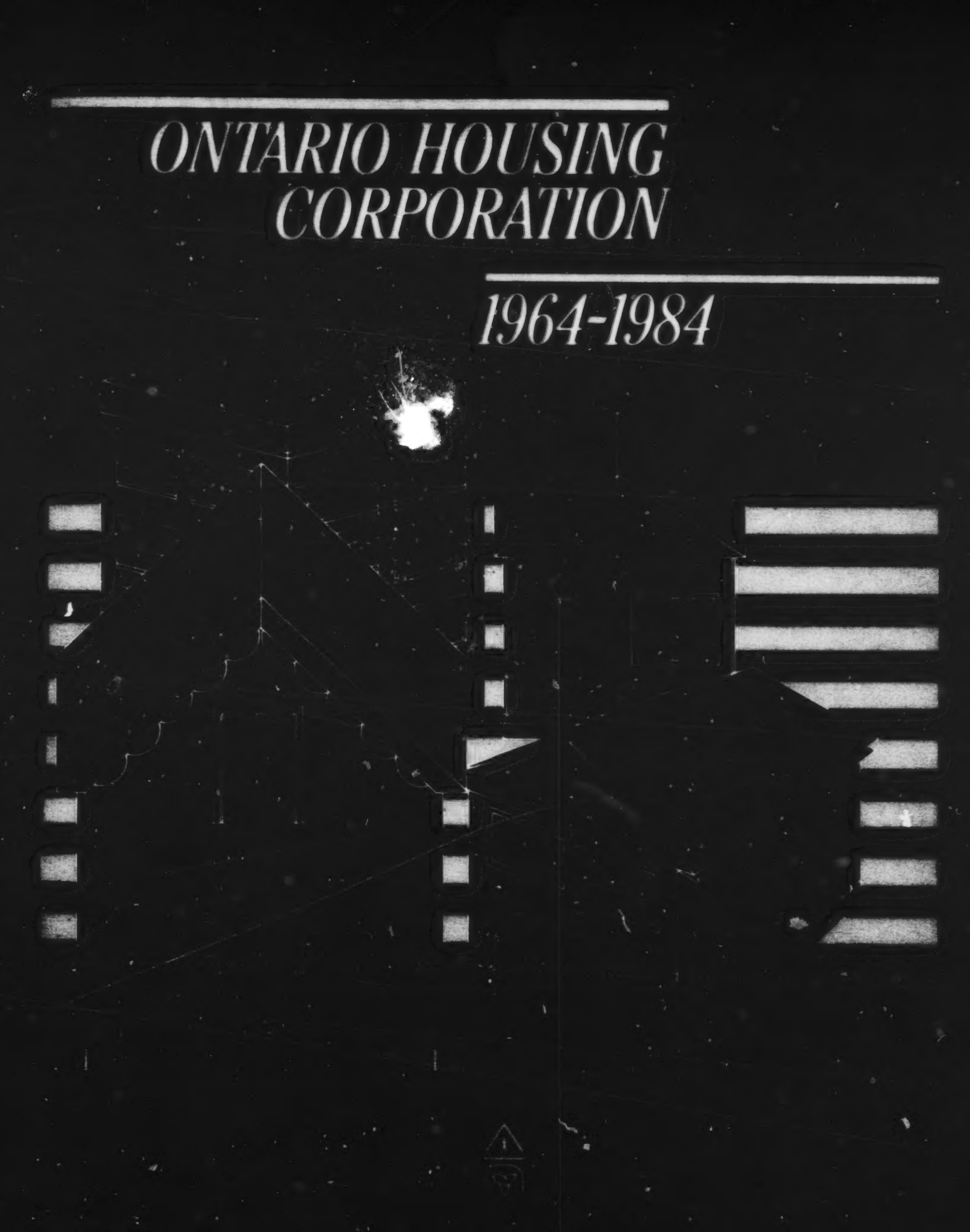
ONTARIO HOUSING CORPORATION

1964-1984



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ONTARIO HOUSING CORPORATION

1964-1984

Ontario

Office of the Minister

Ministry of
Municipal Affairs
and Housing

Twenty years ago, Premier John Robarts announced the formation of a new provincial housing agency, Ontario Housing Corporation, which began with control of less than 6,200 low-rent units—the sum total of social housing in the province.

Two decades later, Ontario Housing Corporation is the second largest social housing agency in North America.

Today, the corporation subsidizes one in every ten rental households in Ontario—one in every seven rental households in most major cities.

OHC housing has grown to become one of the largest and most important social programs in Ontario. No longer does it apply to one or two poor families on the block. Today, it applies to more than 250,000 people in some 300 municipalities in the province.

Ontario Housing Corporation can rightfully claim to be the trailblazer for social housing across Canada. In 20 years, OHC's innovative management has consistently set the standards for virtually all other provincial housing agencies in the nation.

Since 1964, OHC has demonstrated how funding, legislation and commitment can be combined to produce a system of social housing which stands as one of the finest examples of concern for the human condition in the world.

If a society is to be judged on the way in which it cares for its old and infirm, its disadvantaged and young, then surely Ontario Housing Corporation stands as a shining tribute to the people of this province.

Claude Bennett
Minister
Municipal Affairs and Housing

Ontario

Office of the Chairman

Ministry of Municipal Affairs and Housing

Ontario Housing Corporation

This 20th anniversary history traces the development of Ontario Housing Corporation through three major periods.

"Beginnings" deals with the early days of social housing in Ontario, and the legislation which led to the formation of Ontario Housing Corporation.

"Growth" examines the massive expansion of OHC's social housing portfolio in a remarkably short period of time. And finally, "Management" outlines the major programs and policies introduced by the corporation as it became one of the largest landlords in the nation.

Perhaps most of all, this history illustrates the outstanding efforts of the many housing authority volunteers who have made social housing such a success in Ontario.

Over the years, some 2,000 citizens from all walks of life have volunteered their time and energy to administer subsidized housing for families, senior citizens and handicapped persons in communities throughout Ontario.

Today, a network of private citizens who serve without compensation on our housing authorities oversee the day-to-day management of OHC housing across the province.

Members of housing authorities and the OHC board of directors, past and present, working with dedicated and enthusiastic staffs, have given Ontario a system of social housing which is the envy of the world.

Allan R. Moses
Chairman
Ontario Housing Corporation

INDEX

BACKGROUND

Early Days Pg. 4, National Housing Act 1938 Pg. 6, Central Mortgage and Housing Corporation Pg. 6, Regent Park North Pg. 7, National Housing Act 1949 Pg. 8, Local Housing Authorities Pg. 8, National Housing Act 1964 Pg. 8,

GROWTH

Ontario Housing Corporation Start-Up Pg. 16, Start-Up Staff Pg. 16, Early Techniques Pg. 17, Purchasing Program Pg. 18, Builder's Proposal Pg. 18, Special Projects Pg. 20, Early Growth Pg. 22, Student Housing Pg. 25, H.O.M.E. Plan Pg. 26, Condominiums Pg. 28,

MANAGEMENT

Rent Scale Pg. 34, Recreation Pg. 36, Community Relations Pg. 37, Tenant Groups Pg. 37, Security Pg. 37, Safety Pg. 37, Changing Perspective Pg. 38, Rent Supplement Pg. 40, NOAH Pg. 41, Decentralization Pg. 42, Subsidies Pg. 43, Reorganization Pg. 45.

1
BACKGROUND

BACKGROUND

It has been a mooted question in Canada whether we ought to erect county poorhouses for the care and provision of the poor and infirm ...In a land of plenty like ours... there should be no need for such persons to become a charge upon the bounty of the public; and it is absolutely certain that if we erect poorhouses, there will always be poor to fill them...and having provided a place for them, we shall never get rid of them..It becomes a very serious question whether the hardworking and thrifty ought to be taxed to provide for the lazy and shiftless. Or again, is it wise to foster the growth of a class of persons whose filth and foul diseases are the result of laziness and their own vices?"

Thomas Conant, in Upper Canada Sketches, 1898

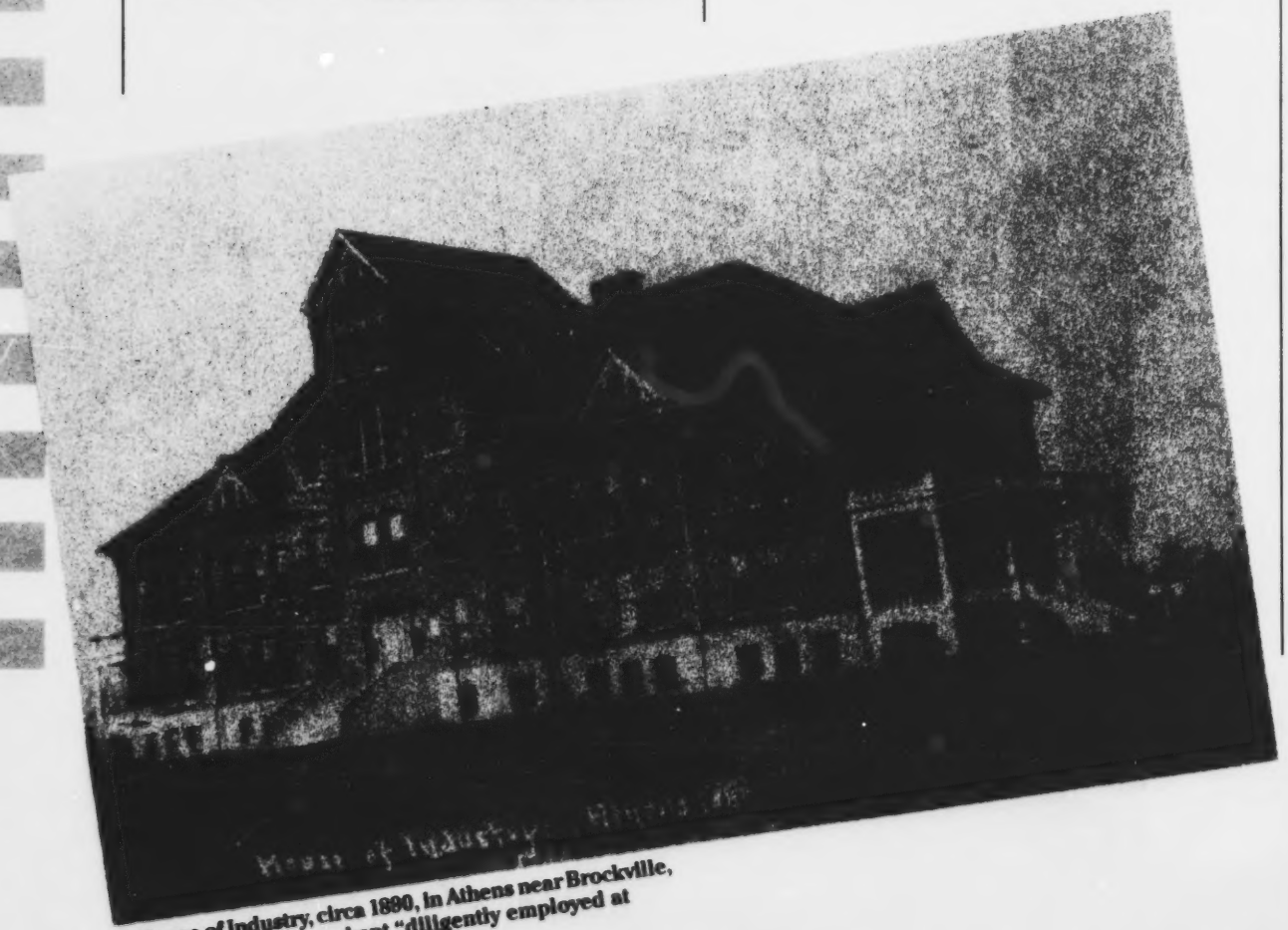
Early Days

In nineteenth century Ontario, social housing was essentially a matter of chance.

If a man was killed and his family left homeless as a result, a number of things could happen to them, depending to a large extent on the reputation of the deceased.

If, for example, the deceased had generally been considered to be of good character, if he was known to pay his bills promptly, if he was seen in church from time to time, then his wife and children might be allowed to take shelter in the House of Refuge.

On the other hand, if the deceased had been a bit of a layabout, if he gambled or perhaps spent too



A House of Industry, circa 1890, in Athens near Brockville, where residents were kept "diligently employed at labor".

much time in the local taverns, then upon his death his family went directly to the poorhouse or the workhouse, depending upon the conclusions reached by the magistrate who sentenced them.

Upper Canada was not a particularly merciful place when it came to social housing. Provincial legislation passed in the 1840s and again in the 1860s made municipalities responsible for housing "the poor...and all persons leading a lewd, dissolute or vagrant life".

Those committed to the care of the state were kept "diligently employed at labor". They were expected to behave themselves and, most of all, to try not to be too much of a burden on society. Those proving to be "stubborn, disobedient or disorderly" faced rather serious consequences.

As late as 1897, when Ontario passed *An Act Respecting Provincial Aid Toward the Establishment of Houses of Refuge*, conditions had improved to only a marginal extent. Under the new legislation, the province agreed to provide a measure of financial assistance to municipalities for their social housing efforts, but, for the most part, shelter for the less fortunate was not a major provincial priority in the nineteenth century.

The federal government first entered the housing market in 1918 to deal with a general scarcity of housing across the nation. Ottawa provided some $25 million to the provinces which loaned the funds to municipalities for the construction of modest housing. Some 6,000 units had been built in Canada under the program by 1923.

Throughout the '20s, construction boomed across the nation. In Ontario, an expanding economy, further stimulated by the *Municipal Housing Act*, generated a strong housing market. It was an era of municipalities and small builders creating houses for sale on the private market.

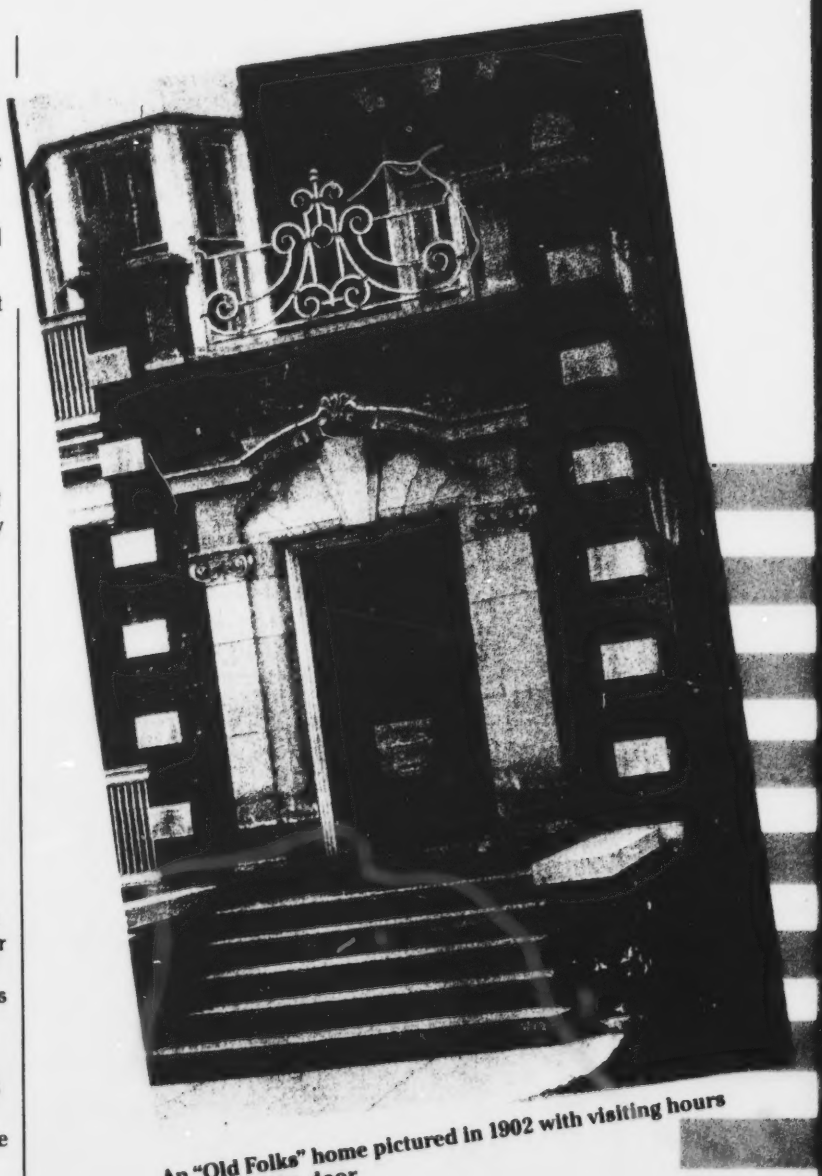
The single-family dwelling was the idea, and it was assumed that as families moved up and purchased newer homes, their older dwellings would be available to those of lesser means and poorer fortunes.

The Depression put an end to all that.

As the economy collapsed, so did the housing market. Vacancies were high, rents were low, and families retrenched in the face of lost jobs, reduced wages and the shock of economic uncertainty.

In 1935, primarily in an attempt to help stimulate the economy, the federal government passed its first major piece of housing legislation—the *Dominion Housing Act*.

The Act established a $10 million federal loan fund from which Ottawa could make loans for the construction of housing in Canada.



An "Old Folks" home pictured in 1902 with visiting hours posted on the door.

National Housing Act 1938

Three years later, the *Dominion Housing Act* was superseded by a benchmark piece of federal legislation, the *National Housing Act* of 1938. The legislation—since amended several times—remains the basis of federal housing policy today.

In its original form, the *National Housing Act* was primarily aimed at combatting unemployment by creating jobs directed at improving housing conditions in Canada.

Under the new Act, municipalities could borrow funds from Ottawa for the provision of low-income housing in their communities. At the same time, the Act allowed for Limited Dividend housing, a new concept in which private companies could be established to build and manage low-income housing. Ottawa agreed to give such companies long-term loans at reduced interest rates for construction costs. In return, the Limited Dividend companies agreed to limit their profits on the new housing, thus keeping rents down.

In 1939, the outbreak of World War II turned the attention of government away from the problems of unemployment and housing. By 1941, however, the federal government re-entered the housing market to provide units for workers engaged in wartime industry. A federal crown corporation, Wartime Housing Limited, built some 25,000 small, practical houses across Canada during the war years.

Central Mortgage and Housing Corporation

In 1944, with the war drawing to a close, the *National Housing Act* was amended again to help thousands of returning servicemen find employment in the development industry and, at the same time, avert a serious housing shortage across the nation. In 1945, as a further step, Ottawa created a new crown corporation, Central (later Canada) Mortgage and Housing Corporation. CMHC was formed to administer the *National Housing Act*, and the new

This photo was used by the Toronto Health Board to warn of the dangers of germs in slum areas.

corporation was allocated start-up funds of $25 million toward its housing programs.

The end of World War II saw a flood of progressive legislation in most western countries, aimed at providing citizens with a social safety net of unemployment insurance, pensions, family allowances, medical benefits and social housing.

It was a time of optimism, and part of that optimism included a growing recognition that people should have access to decent, affordable housing, and that those whose circumstances prevented them from buying a house or renting suitable accommodation, deserved to be assisted by society as a whole.

Regent Park North

One of the major housing concerns during the post-war years involved community planning—in particular, slum clearance. In 1947, the City of Toronto decided to clear a 42-acre downtown slum area and replace it with modern apartments. The city received a $1 million federal grant to construct Regent Park North, the first major social housing development in Canada. By the mid-1950s, the 42-acre slum had been replaced by a series of lowrise apartment buildings containing some 1,400 social housing units.

WARNING

ACUTE HOUSING SHORTAGE IN TORONTO, ONTARIO

Notification is hereby given to non-residents of this City that there is no available housing accommodation here. This Corporation will assume no responsibility or provide any assistance in locating living quarters for any person contemplating moving to Toronto.

For your own comfort and convenience

DO NOT COME TO TORONTO, ONTARIO FOR HOUSING ACCOMMODATION

Robert H. Saunders, C.B.E.
Mayor
Toronto, August 29, 1947

J. W. Somers, O.B.E.
City Clerk

A post-war housing shortage bulletin.

Regent Park North in 1984.

National Housing Act 1949

In 1948, the Ontario government passed the *Housing Development Act*, which acknowledged that the province was primarily responsible for the housing needs of its citizens and, in 1949, the impetus for large scale public housing in Ontario was provided in a crucial revision to the *National Housing Act*.

Under the 1949 amendment, the federal government agreed with the provinces to provide "public housing" under joint federal-provincial ownership and management. The new legislation allowed for a federal-provincial partnership to assemble lands and build housing for low-income families. Ottawa agreed to provide 75 per cent of construction costs, plus 75 per cent of the operating subsidies. Each province that participated in the program agreed to fund 25 per cent of the costs and subsidies.

An important section of the new agreement stipulated that requests for social housing had to be initiated by the local municipality and, as well, the day-to-day administration of social housing had to remain in the hands of local citizens.

Local Housing Authorities

Thus was born in Ontario in the 1950s a system of local housing authorities. A local housing authority is comprised of private citizens with an interest in housing the less fortunate in their community. They serve without remuneration on the housing authority in their community, selecting tenants, collecting rents, preparing budgets and ensuring, in general, that social housing in their community is administered fairly and responsibly.

During the 1950s, some 39 local housing authorities were established in communities across Ontario. The largest, the Metropolitan Toronto Housing Authority, administered about 2,500 social housing units, while some of the smaller rural housing authorities administered less than a dozen units.

The 1949 federal-provincial partnership produced about 6,500 new social housing units across Canada in its first 10 years and, by the late '50s, it was apparent that more resources were needed for social housing.

In Ontario, large numbers of low-income families had moved to the major cities, and good-quality, affordable housing was in short supply. Ontario's housing authorities administered less than 6,200 low-rent units, of which only 36 units were available for needy senior citizens.

Inner city slum housing.

Substandard accommodation.

"The shortage of housing following World War II led the City of St. Thomas to investigate the construction of rental units in the southeastern section of the city. The project got started but difficulties arose and it was sold to private citizens.

"Ed Rowe, who was treasurer for the City of St. Thomas, had faith in the concept of geared-to-income housing, and he had the city apply for units in 1951. The City of Windsor did the same thing, but the St. Thomas project went ahead faster and our 40 small houses were fully occupied by low-income families in 1952 and the St. Thomas Housing Authority had been created. From this beginning, low-rental, government assisted housing took off across the province to provide shelter for thousands of families.

"In this sense, Ed Rowe may well be called the father of assisted housing in Ontario."

Gib Johnson,
Elgin and St. Thomas Housing Authority

National Housing Act 1964 revision

In the early 1960s, the provinces pressed the federal government for greater autonomy in social housing and, by 1964, the consensus developed in favor of decentralization to the provincial level.

As such, the *National Housing Act* underwent its most important revision to date in 1964. Essentially, the revision made it possible for each province or territory to build and manage its own portfolio of public housing. Central Mortgage and Housing Corporation would provide long-term, low-interest loans to the provinces for 90 per cent of the capital costs of new public housing projects. In addition, CMHC would absorb 50 per cent of the ongoing subsidies for new social housing development.

A province, wishing to participate in the program, was responsible for providing 10 per cent of the capital costs and for absorbing the other 50 per cent of the subsidies.

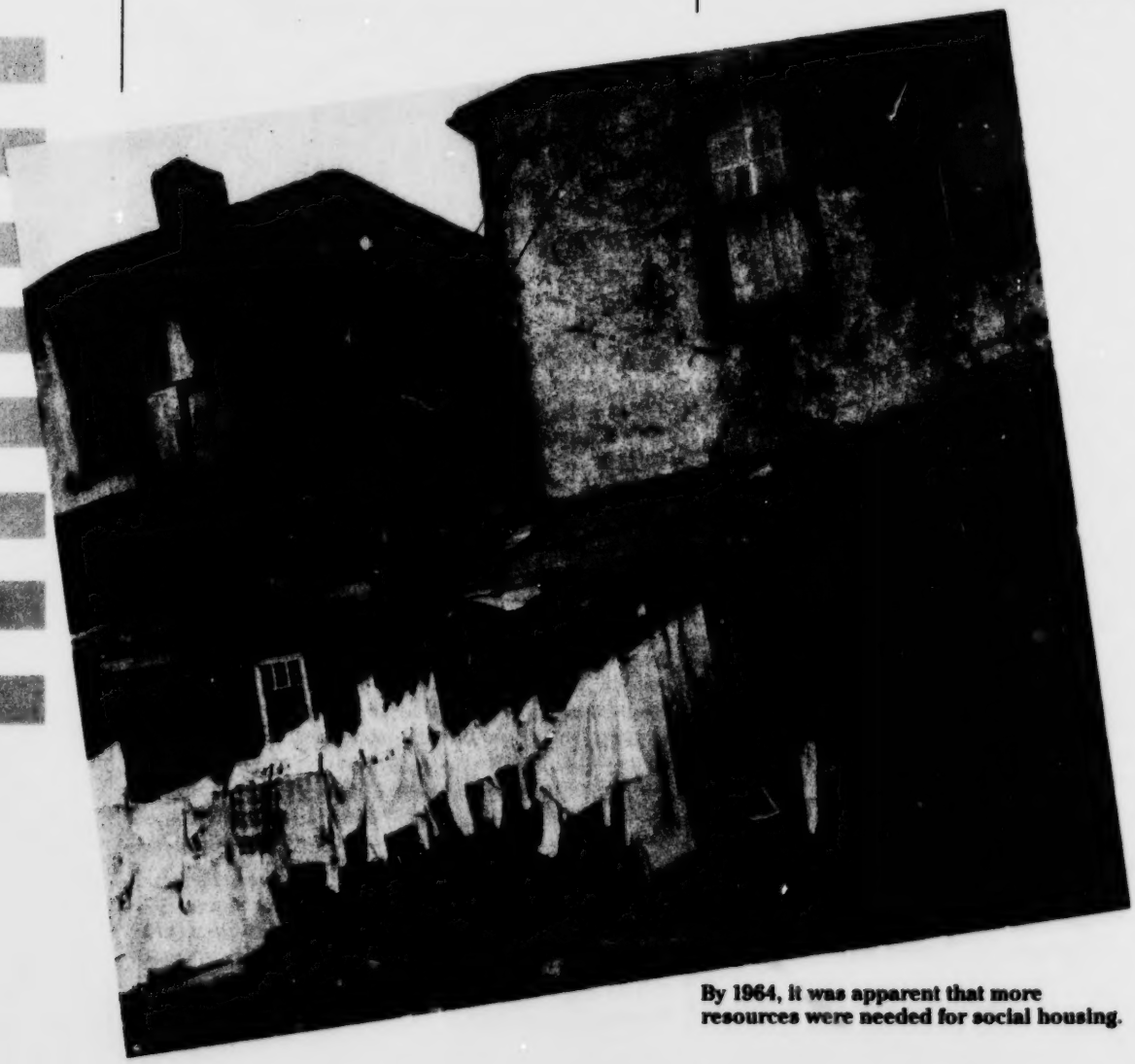
The stage was set for the creation of Ontario Housing Corporation.

"When our housing authority began, Mr. Small was elected the first housing manager and, since he was retired, it was felt by the original members that he had "sufficient spare time to devote to project administration". His remuneration was established at $2 per unit per month, part of which was to be used for secretarial help. Arrangements were made for the use of an office at City Hall on a part-time basis—two days per week. And with that, our housing authority took its first tentative steps into property management."

Brant and Brantford Housing Authority

"In the early days, we worked out of our house... We had only 28 units, so I used to collect the rents and keep the books, and my husband, Arthur, was housing manager. It was really quite informal. I remember once when Arthur was in hospital, I had to travel up to Simcoe to open up some new units, give the tenants their keys and have them sign the papers. There had been a terrible snowstorm and no one could get through. But I was the first to get my car through and get to the new units. That's the way I remember those early days. We did what we could to make it work. It was hard, but it was fun."

Olive Thorne
Oxford County Housing Authority



By 1964, it was apparent that more resources were needed for social housing.

"Bridgeview", the first social housing project in Windsor, was toasted in this 1952 cartoon, reprinted courtesy The Windsor Star.

In 1959, W.M. Nickle, Minister of Planning and Development, with responsibility for social housing in Ontario, turned the sod for the first public housing project in Kingston.

"In 1962, the government of Ontario set up a Task Force to examine housing conditions in the province. The Chairman was Ken Soble, who owned Channel 11 in Hamilton. They also commissioned James Murray, an architect on the faculty at the University of Toronto. They were to do an in-depth analysis of housing. I was on sabbatical leave at the time and Murray knew I'd written about social housing, so he asked me to write several papers on the subject. Well, the report came out in the spring of 1963 and the Task Force was very active in recommending provincial action.

"About this time, the head of the Metro Toronto Housing Authority had just said goodbye to Bob Suters, who had just accepted a new position with the City of Ottawa as head of the housing administration under mayor Charlotte Whitton.

"Well, by one of those tragic quirks of fate, Wilf Scott, head of the provincial housing branch, had a heart attack and died suddenly. Bob Suters was then persuaded to stay in Toronto and replace him. Stanley Randall, who was minister at the time and responsible for housing, knew Bob Suters and between them, they hatched up the idea of Ontario Housing Corporation.

"I've often wondered what would have happened if Scott had lived and Bob Suters had gone to Ottawa. I'm not sure the corporation would have occurred at all."

Dr. Albert Rose
Member, 1st OHC Board of Directors

"How was it in the beginning?

"It was frustrating. It was infuriating. It was like waltzing in a blanket. We couldn't follow the precept "when in doubt, read the instruction book" because there was no instruction book.

"The housing shortage for low-income families, which had been growing for a decade, was exacerbated by the migration from the depressed areas to southern Ontario, "the land of corn and wine".

"In the 1960s, the province tackled the problem and a huge construction program commenced. My appointment in December, 1966 was announced. I was a part-time housing manager — monthly salary of $343.40; operating fund of $10 petty cash; anticipated portfolio of 101 family units.

"My telephone started to ring and never stopped. Applicants, social workers, politicians. Everyone's circumstances were of the utmost urgency. Applicants poured in at the rate of 50 a day. Each had to have a home visit. I called for help. Impossible! How could you justify staff for a part-time manager? I co-opted my friends — sworn to secrecy. Applicants were visited by stylish matrons in mink coats. My husband pitched in after he left his office. I had no office. Applicants came to my house at 7 a.m. on a Sunday with all their children to demonstrate their need.

"I worked 14 hours a day. It took six months to get the situation under control. We made our own rules, devised our own systems. We were all winging it.

"As the contractor finished one block, we moved the tenants in. The contractor worked furiously on the next block of units. The kids drove the workmen crazy. One group of incautious painters left their lunch buckets outside. The kids devoured their lunches.

"The housing manager was the target for all complaints. In the meantime, the building program accelerated. Every new project within a radius of 150 km. was added to my portfolio. It was finally conceded that I was a full-time manager. My portfolio grew to 2,000 units.

"It was an exhilerating experience. The day I retired and left my desk, I cried."

Mrs. Jean A. Allen
North Waterloo Housing Authority

ADHA ONTARIO
ALGOMA DISTRICT HOUSING AUTHORITY
464 ALBERT ST. E.
P.O. BOX 448
SAULT STE. MARIE, ONTARIO
P6A 5M1

KHA
KINGSTON HOUSING AUTHORITY
AN AGENT OF ONTARIO HOUSING CORPORATION
394 KING STREET EAST, P.O. BOX 206, KINGSTON, ONTARIO, K7L 4V8 PHONE: 546-5591

CNHA
Agent for Ontario Housing Corporation
Central Niagara Housing Authority
266 Division St., P.O. Box 727, Welland, Ontario L3B 5R5 416/734-4548

755 QUEENSWAY EAST
SUITE 301
MISSISSAUGA, ONTARIO
L4Y 4C5
TELEPHONE
416-279-7792
ZENITH 44120
OFFICE HOURS
8:30 a.m. - 4:45 p.m.
Peel Regional Housing Authority
ESTABLISHED BY
PROVINCIAL ORDER-IN-COUNCIL
JUNE 4, 1980

Nipissing & Parry Sound Districts Housing Authority

Commission De Logement

1275 Main Street West, North Bay, Ontario P1B 2W7

Phone 472-2441 Inwats 1-800-461-9560

Ontario

PETERBOROUGH HOUSING AUTHORITY

OFFICE: 105 GEORGE STREET NORTH, MARKET PLAZA

PETERBOROUGH, ONTARIO K9J 3G3 TELEPHONE (705) 742-0439

RENFREW COUNTY & PEMBROKE HOUSING AUTHORITY

209 RENFREW STREET - P.O. BOX 636

PEMBROKE, ONTARIO K8A 6X9

TELEPHONE (613) 735-0782

Leeds and
Brockville Housing Authority

58 King Street East
Brockville, Ontario
K6V 1B1
Telephone: 342-2341

P.O. BOX 1028 PHONE 232 6663

Ontario

SOUTH COCHRANE DISTRICT HOUSING AUTHORITY

(ESTABLISHED BY PROVINCIAL ORDER IN COUNCIL JULY 28 1976)

629 CEDAR STREET

IROQUOIS FALLS "A", ONTARIO P0K 1G0

Metropolitan
Toronto
Housing
Authority

Ontario

1320 Yonge Street
Toronto, Ontario
M4T 2W4

GREY COUNTY & OWEN SOUND HOUSING AUTHORITY

ESTABLISHED BY PROVINCIAL ORDER-IN-COUNCIL AUGUST 25, 1976

SUITE 101
1131 SECOND AVE. EAST
OWEN SOUND, ONTARIO N4K 2J1

Muskoka District Housing Authority

95 Manitoba St., Suite 5
P.O. Box 2009
BRACEBRIDGE, Ontario
P0B 1C0

Established by
Provincial Order-In-Council
November 17, 1976

Telephone
705-645-9261
705-645-8831

Ontario

Wellington And Guelph Housing Authority

292 Speedvale Avenue West, Unit 7, Guelph, Ontario N1H 1C4

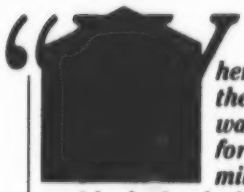
SOUTH WATERLOO HOUSING AUTHORITY

Ontario

9 Cambridge Street
Cambridge, Ontario - N1R 3R5
General Office 623-2686
Maintenance 623-2929

II
GROWTH

GROWTH



"When we got to Ottawa and spoke to the federal Minister of Revenue, who was also the minister responsible for housing, he told us he had $500 million a year to spend on housing and he had nobody to take it off him. So we said to him, "You've just found your first customer!"

Ontario Housing Corporation Start-up

Ontario Housing Corporation was created on August 11, 1964 as a crown corporation in the provincial Department of Economics and Development.

Minister Stanley Randall appointed a 10-member board of directors to oversee the affairs of the new corporation. The first chairman of the OHC board was Kenneth Soble, of Hamilton, owner of several radio and television stations, including CHCH-TV, and an active participant in civic affairs and urban renewal. The first managing director of the corporation was Bob Suters, who became a driving force in the growth of Ontario Housing Corporation.

Members of the first OHC board of directors represented a cross-section of interests in the field of social housing, and included several people who would later become well-known figures in Ontario. Each was appointed because of some special experience needed for the growth years of OHC.

Their ranks included Arthur Lascelles, a municipal treasurer; Dr. Albert Rose, a professor of social work; developer Peter Langer; labor leader William Ladyman; lawyer Edward Tyrrill; Mrs. Frances McHale, a senior citizens program consultant; and Jerry Trusler, an expert in the field of bonds, mortgages and real estate.

"When Stanley Randall got us all together one day in August, 1964, he told us he just didn't know how much would be involved. He didn't even know how many times a year we'd have to meet... He just told us to find a way to get more affordable housing."

Mrs. Frances McHale
Member, 1st OHC Board of Directors

Remarkably, the first OHC board had no preconceived strategy for providing social housing across Ontario. They were simply a group of public-minded individuals prepared to work without pay and volunteer whatever time was necessary to help create an entire provincial system of affordable housing for low-income families and senior citizens.

The Minister met the board in August, 1964 and told them, quite frankly, that he didn't know how much work was involved or how often they would have to meet. He said their task was to help create affordable housing across Ontario, and he gave the first OHC board of directors virtually a free hand to proceed. With the full support of both levels of government and the assistance of an energetic and creative staff, the first OHC board went ahead and triggered the greatest social housing boom Canada has ever seen.

Start-Up Staff

The start-up staff of Ontario Housing Corporation was drawn from two areas: the Housing Branch of the Department of Economics and Development; and the staff of the Metropolitan Toronto Housing Authority.

The Housing Branch had dealt for a number of years with the housing authorities created under the federal-provincial social housing program of the '50s and '60s. The Metro Toronto Housing Authority was the largest of the housing authorities in existence at the time.

"I remember Bob Suters saying to me, "I don't know if this is going to work, but we're going to give it a try". That's the way it was. None of us really knew, but we gave it a try."

Dr. Albert Rose
Member, 1st OHC Board of Directors

With the creation of OHC, both the Housing Branch and the Metro Toronto Housing Authority were dissolved. The staffs merged and were organized into four divisions related to planning/development, construction, property management and administration.

OHC became responsible for the 38 remaining housing authorities and their combined portfolio of about 6,200 federal-provincial social housing units. In areas of the province where a housing authority had not been established, OHC became responsible for managing social housing directly. The new corporation also gained control of major land banks—tracts of land purchased for future development—in several municipalities in the province.

Premier John Robarts and Minister Stanley Randall launched social housing in Ontario.

"The only sense of history I remember was when Ken Soble and I were coming back from Ottawa on the plane. He said, "Well, we've done it. And I said, "Yes, we're off and running...

"Ken said we'd pull this thing off if he had my full support, and I told him he had. I told him that I couldn't build a doghouse, but I wanted a team around me who would—and what a team!"

Stanley Randall
Minister 1964-68

Early Techniques

In 1964, OHC adopted two important practices which have had a lasting impact on the location and production of social housing in Ontario.

First, OHC decided to continue the existing federal-provincial practice of building social housing only in those communities where the local municipal council requested such housing. All municipalities in Ontario were informed that OHC was in business, but the initiative for OHC to start construction had to come from the muncipal council. A municipal request for OHC housing was followed by a formal agreement signed by federal, provincial and municipal officials. OHC then conducted a need and demand survey in the local area to determine an appropriate number of units and location for the new housing development.

A second major decision reached by the new corporation involved a construction force. In short, OHC elected not to create its own labor force to build social housing in the province. Instead, the corporation decided to rely entirely on private sector companies and contractors to build new developments. OHC planners, architects and engineers would examine building proposals and advise on technical matters, but construction would remain in the hands of the private sector.

In its first year, OHC was swamped with requests from municipal councils for the construction of new social housing. Some 10,000 new family units and more than 900 new senior citizen units were requested in 1964-65, a figure nearly double the existing social housing portfolio of 6,200 units across Ontario.

"I had a free hand from John Robarts, and I had to pull all the business tricks out of the bag to do the job – to get both industry and housing. Our job was to create 60,000 jobs...

"The major thing about the OHC building program was that it put many other industries back to work. It made many hundreds of small builders into bigger builders...

"I recognized early in the game that we were building housing shells... Nothing happened until a family moved in, and then they were in the market for everything from pots and pans to furniture. OHC housing was a great job builder."

Stanley Randall
Minister 1964-68

Purchasing Program

In some major centres, particularly Metro Toronto, not only were thousands of units requested, they were also needed much faster than they could be built.

As a result, OHC took a unique step in Metro Toronto, Sudbury and Hamilton. Rather than wait for new social housing to be completed, OHC advertised for offers of existing accommodation, then purchased private housing for immediate use as social housing.

In its first year, OHC purchased 1,090 units, including apartments, maisonettes, row houses, duplexes and semi-detached and detached houses to help relieve the shortage of social housing in major centres.

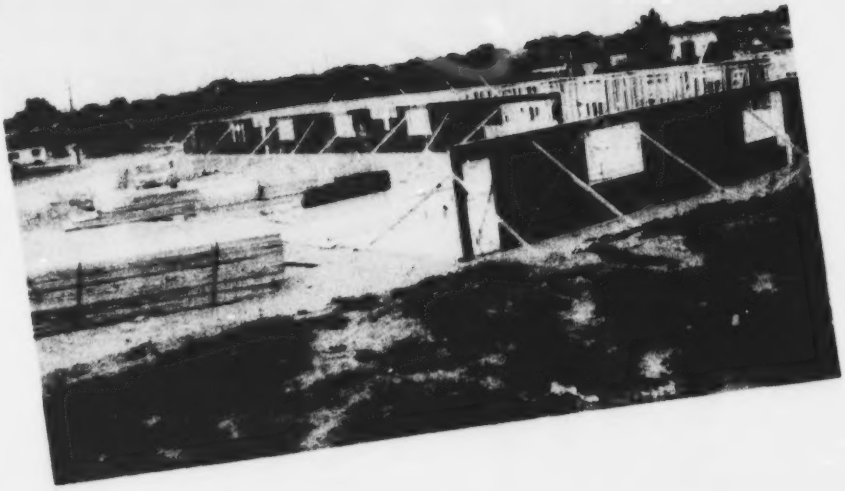
Kenneth D. Soble, OHC Chairman, 1964-67.

Meanwhile, OHC embarked on a massive construction program to satisfy demands for social housing across the province. The corporation employed two techniques for new construction in its early days. The first was a program of direct construction in which OHC purchased land for the new social housing development in a municipality. The corporation then retained an architect to design the project to OHC's specifications. When the plans were completed and approved, public tenders were called for construction, with the contract going to the low bidder. Finally, the architect retained by OHC supervised construction of the housing. This technique proved to be most successful in the production of new senior citizen units.

Builder's Proposal

A second technique, known as the Builder's Proposal, was introduced in an effort to provide accommodation quickly, and it was used extensively by OHC throughout the 1960s. With this technique, OHC advertised in a community for a certain amount of family or senior citizen housing built to certain standards on land which might or might not be owned by the corporation.

The first OHC Board of Directors quickly geared up a massive program of social housing construction across Ontario.



A builder wishing to bid on the project was required to submit a complete building proposal, including a design, a completion date and, crucially, a firm price. OHC then analysed and appraised each proposal before selecting the best. The successful builder became responsible for preparing all plans, specifications and working drawings for the project to OHC's requirements, and for securing all necessary rezoning and municipal approvals. And finally, for constructing the development to the satisfaction of OHC's chief engineer.

The Builder's Proposal had a number of advantages, not the least of which was that it consistently resulted in a lower price than the direct construction method. As well, the designs submitted by builders were often quite innovative and, over the years, won several national awards for housing design. Finally, the Builder's Proposal resulted in an earlier construction start because the builder could minimize red tape and move forward quickly on the project.

Special Projects

In addition to its construction and purchasing programs, OHC embarked in 1964-65 on the first of what would be a long series of special projects in the years to come.

In Brunetville, a suburban fringe of Kapuskasing, some 250 houses were in a sad state of disrepair, with many lacking essential services. OHC set about in 1965 to eliminate water pollution in the area by constructing a new sewage and water supply system in co-operation with other provincial departments. OHC also registered a plan of subdivision for the area and implemented a housing improvement program by providing guarantees to chartered banks for home renovation loans to local residents.

In Metro Toronto, OHC was assigned responsibility for acquiring approximately 200 houses along the route of Highway 401. The highway had been widened from four lanes to 12 lanes, cutting into homeowners' property and altering the value of their land. During 1964, OHC offered to buy the homes for their price prior to the widening of the highway. More than half the homeowners accepted OHC's offer and benefited from the program.

TOWN OF VALLEY EAST

SENIOR CITIZEN APARTMENTS

IF YOU ARE SIXTY YEARS OF AGE OR OVER
IF YOUR PRESENT ACCOMMODATION IS INADEQUATE
IF YOUR INCOME IS MODEST

THIS
IS OF INTEREST TO YOU!

The Ontario Housing Corporation, an agency of the Ontario Government, at the request of your municipal council, is considereing the development of senior citizen housing in the Town. To determine the local interest in this type of accommodation, survey questionnaires are now being distributed.

ONLY BY FILLING OUT A QUESTIONNAIRE CAN YOU HELP TO DETERMINE WHETHER A PROJECT SHOULD BE DEVELOPED.

Further information and questionnaire forms are available to all interested persons 60 years of age and over at the:

CLERK'S OFFICE
EMILIEN LELIEVRE
TOWN OF VALLEY EAST

A typical OHC newspaper ad during the growth years, seeking public input on a new social housing development near Sudbury.

By the end of its first year, OHC had taken control of social housing across Ontario. A board of directors and a staff had been established. The corporation had assumed responsibility for 6,200 social housing units administered by 38 housing authorities across the province. Thirty-four municipalities had requested need and demand studies in their communities. Construction of 1,147 new units had started in a further 22 municipalities. OHC had purchased 1,090 units in the private sector and had embarked on special projects involving pollution and land values. Finally, the corporation had plans in place to develop a further 10,000 social housing units.

"It was an invigorating period for the fledgling corporation. The tendency was to pick up the ball and start running, then turn around and find out how much red tape was lying on the floor."

A.J. (Jerry) Trusler
Member, 1st OHC
Board of Directors

An example of Brunetville's substandard housing which OHC helped to rehabilitate in its first special project.

Early Growth

Ontario Housing Corporation grew at a record pace during the second half of the '60s, easily outdistancing on a per capita basis the "crash program" of public housing construction under way in the United States.

In 1966, OHC was responsible for 72 per cent of all public housing starts in Canada, and the corporation signed contracts for some $35 million worth of new social housing across Ontario.

By the end of 1966, the corporation had some 10,000 new units under construction and had purchased another 1,500 units from the private sector.

In 1967, OHC established a record for public housing construction which has never been matched in Canada —the corporation used 97.3 per cent of all the money allocated by CMHC for public housing across the nation—about $100 million in new construction.

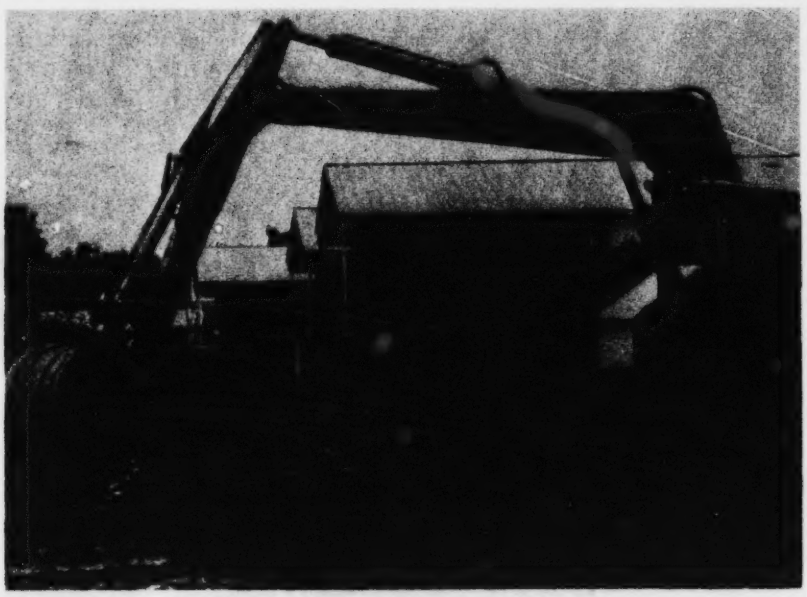
OHC's growth was so rapid in 1967 that the corporation was accounting for more than 10 per cent of all housing starts of all kinds in Ontario. The corporation phased out its program of purchasing units in the private sector in favor of its massive construction program.

In 1968, OHC used 93 per cent of all the funds earmarked for social housing nationwide, and in 1969, was responsible for 76 per cent of all public housing starts in Canada.

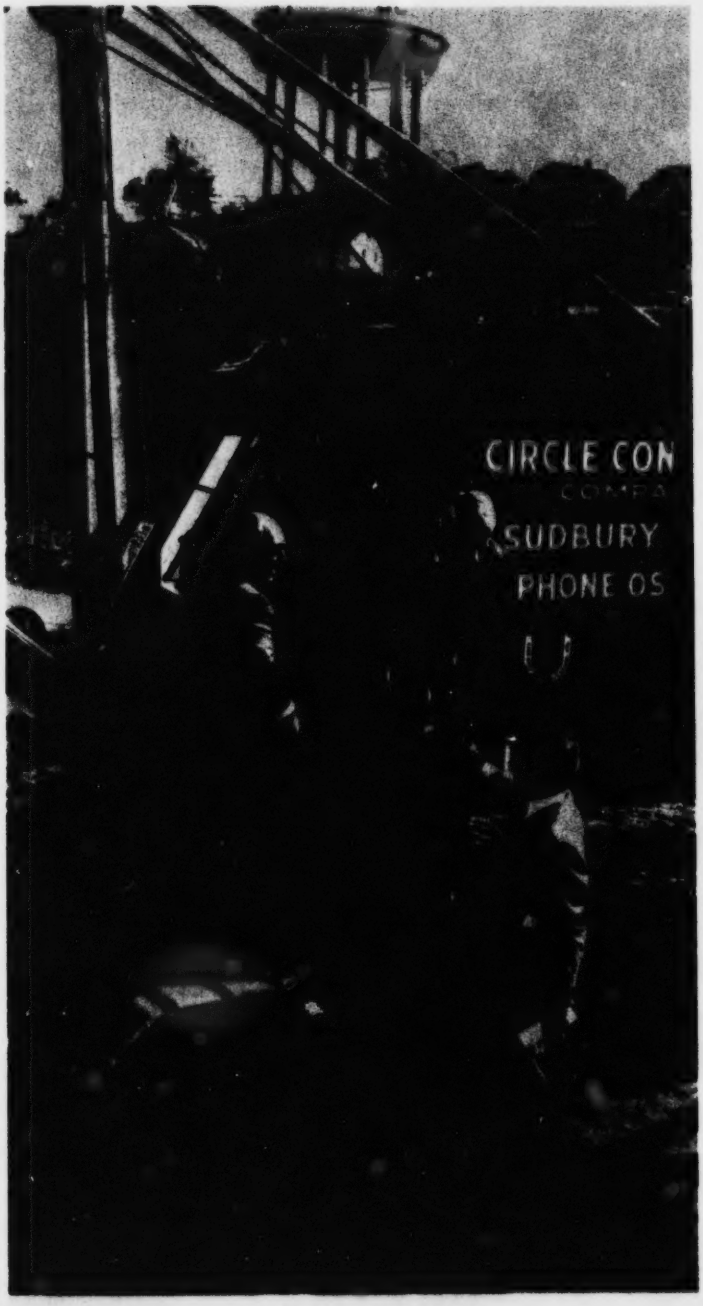
After its first five years, OHC had grown from a small social housing agency to become by far the largest social housing landlord in Canada, with assets which ranked it among the major corporations in the country.

"You're still not getting it—you take the side marked left and the side marked right and..."

The speed and scope of OHC's early construction program broke every record in the book.

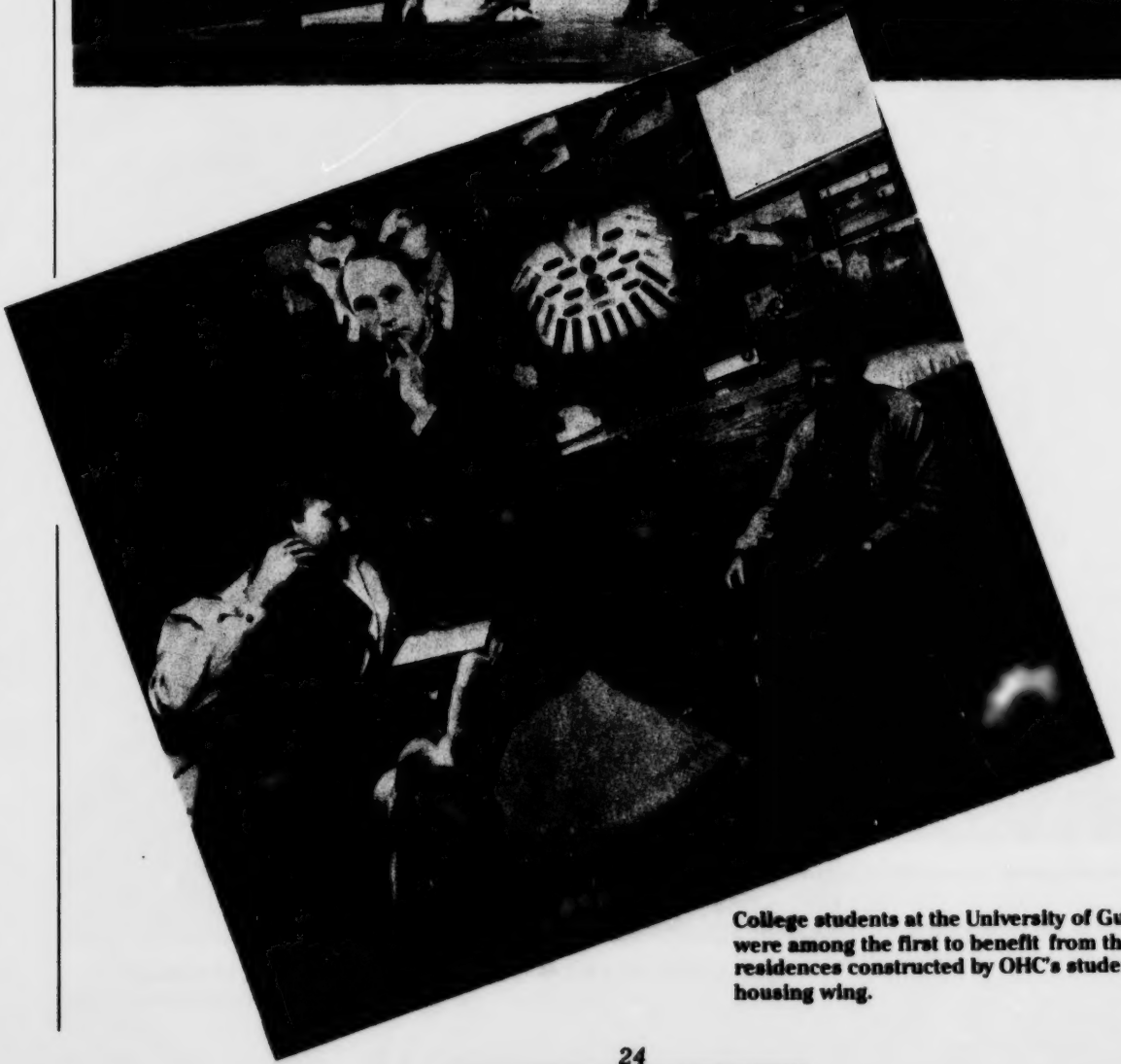


Municipalities requested construction of some 10,000 OHC units during the corporation's first year in business.



OHC development roared ahead in the late '60s.

Emerson E. Clow, OHC Chairman, 1967-77.



College students at the University of Guelph were among the first to benefit from the residences constructed by OHC's student housing wing.

Student Housing

Remarkably, OHC's public housing construction program during the second half of the '60s constituted only a portion of its entire activity during the period.

In 1966, while its construction program was gearing up, OHC was drawn in the first of several new directions —student housing.

The problem facing the provincial government was formidable: the post-war baby boom was starting to arrive at Ontario universities in record numbers and there was literally no place to house them.

A provincial survey indicated that many new college students in the late '60s would be unable to attend university unless more accommodation was provided in campus residences across the province.

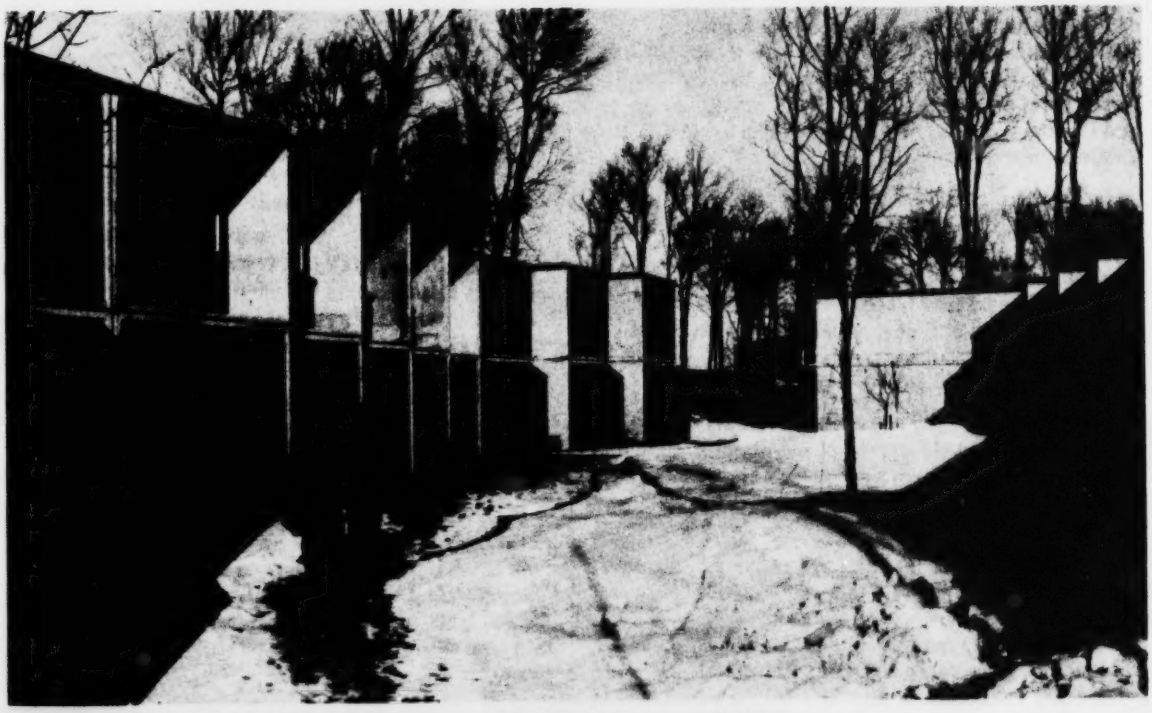
As a solution, a sister corporation of OHC—called Ontario Student Housing Corporation—was created in 1966 to provide housing for both single and married students at universities and colleges in Ontario.

OHC and OSHC shared the same board of directors and staff, and the ground rules for student housing mirrored in many respects those set for social housing.

The request for student housing had to come from the university, which usually provided the land for the development. When the residence was completed by Ontario Student Housing Corporation, the university leased the property to OSHC and managed the residence. At the end of the lease, the agreement called for the land and the building to revert to the university.

Schools across Ontario were quick to take up the new program. Within 90 days of the announcement of OSHC, the University of Guelph had requested 1,662 units of student housing; the University of Western Ontario asked for 1,600 units; and the University of Toronto requested an initial allotment of 960 units.

During the next five years, OHC's student housing wing went on to build more than $90 million worth of student residences—some 12,218 beds—at virtually every major university in Ontario.



Student housing presented OHC with the opportunity to employ new building techniques—in this case, modular construction.

H.O.M.E. Plan

In 1967, there was a serious shortage in Ontario of serviced land—land with water, sanitation and storm sewers in place.

As a result, serviced land held by private developers was extremely valuable and the homes built on the land commanded top dollar.

Many moderate-income families were effectively shut out of home ownership due to high land costs.

In August, 1967, OHC introduced an innovative lot lease program which came to be known as the H.O.M.E. Plan—Home Ownership Made Easy for moderate-income families.

This program, which lasted for about 10 years, proved to be the most successful housing program of its time.

Under the H.O.M.E. Plan, OHC acquired parcels of land in selected municipalities throughout Ontario. In some cases, the land was already serviced. In most instances, OHC purchased raw land, subdivided it, then put in the services.

The result was a series of H.O.M.E. subdivisions, each containing serviced lots suitable for home construction. Under the plan, a family which obtained a H.O.M.E. lot was required to find a builder who would erect a house on the lot for a maximum price of $15,000—a reasonable cost for construction of a modest house in 1967.

But the real advantage of the H.O.M.E. Plan involved the financing of the lot. First, OHC required no down payment for the lot. As well, two values were established for each lot. The first—the book value—involved the basic cost to acquire, develop and market the lot. The second—the low-end of market value—was a higher value representing a very reasonable price for the lot if it was offered for sale on the private market.

Under the H.O.M.E. Plan, a family was able to lease its lot from OHC for a period of 50 years at the book value. Effectively, therefore, the family received an interest-free loan for 50 years for the difference between the book value and the low-end of market value.

Initially, the book value of a H.O.M.E. lot was very close to the market value. On average, book value was about $8,000 per lot, whereas market value was closer to $10,000 per lot. As time went by, however, and land prices increased, the gap between book value and market value widened to $5,000 then $10,000 then $20,000—all of it, interest-free for 50 years.

"We had to be careful not to arrive too soon at a H.O.M.E. Plan subdivision. The appearance of our sales trailer almost always signalled the start of a lineup. No matter what kind of weather we had, the people were just great. There was a lot of good-natured kidding, they organized their own numbering systems, and we seldom had trouble with line jumpers. It might not always have been comfortable, but it was a lot of fun...

"I recall two married sisters who were driving through Bramalea with their husbands when they spotted that first lineup. One of the couples had been house-hunting for years, but the other pair soon caught the fever when they learned what the lineup was all about.

"The sisters took charge. They left their husbands in line, drove home and prepared some food, gathered up four folding chairs and rejoined their spouses. In the end, they got adjoining semi-detached lots and later found a small builder who built them excellent houses for something like $14,500 each."

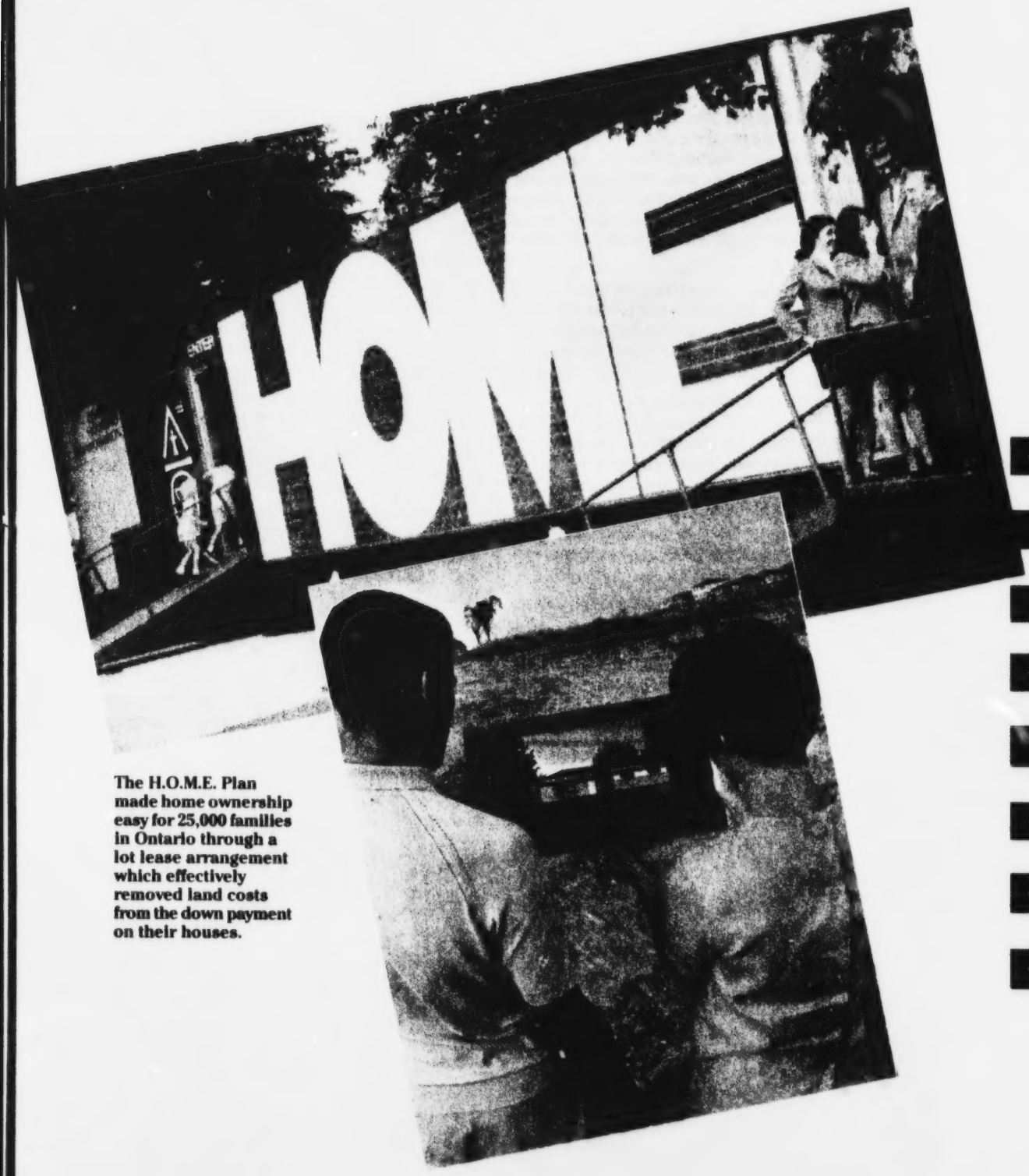
Jim Davidson
OHC Sales and Mortgage Manager
for H.O.M.E. Plan

Moreover, under the plan, a family could purchase its lot outright at the original low-end of market value anytime after living on the land for five years.

And the whole package—land and new house—could be carried by any family with an income of $7,000 a year.

Public reaction to OHC's H.O.M.E. Plan was nothing less than phenomenal. When a block of H.O.M.E. lots was offered in Bramalea, hundreds of prospective homeowners lined up for an entire weekend, complete with blankets, recliners and mugs of coffee. The first H.O.M.E. subdivision on Hamilton Mountain sold out in three hours. Lots in Windsor, London, Peterborough and Trenton were snapped up almost as soon as they went on sale.

The H.O.M.E. Plan became so popular that by 1973 a lottery system had to be introduced in which lucky families won the opportunity to obtain a H.O.M.E. lot. Depending upon the area of the province, the odds of winning a H.O.M.E. lottery ranged between 10-1 and 35-1.



The H.O.M.E. Plan made home ownership easy for 25,000 families in Ontario through a lot lease arrangement which effectively removed land costs from the down payment on their houses.

By late 1973, the difference between the book value and market value of a H.O.M.E. lot had reached $24,000, and rules were introduced to prevent speculation on H.O.M.E. lots and to ensure that new lots went to moderate-income families. Further changes stipulated that the purchase price would be at current market value, thus eliminating windfall profits on the government program.

In 1975, the plan was changed again to involve a two-part, 35-year mortgage under which the purchaser of a H.O.M.E. lot paid only principal and interest on the book value of the lot, with the difference between book and market value being an interest-free loan.

In 1977, the H.O.M.E. Plan was phased out and replaced with a combined federal-provincial program called AHOP-HOME. The primary benefit of the new program was that it provided financial assistance to moderate-income families across Ontario, rather than just families living in municipalities with H.O.M.E. subdivisions.

In the end, OHC's H.O.M.E. Plan made home ownership a reality for 25,000 families in Ontario.

As the 1960s drew to a close, Ontario Housing Corporation had expanded its activities to a significant degree.

Five years earlier, the corporation had started with a few dozen employees and 6,200 social housing units.

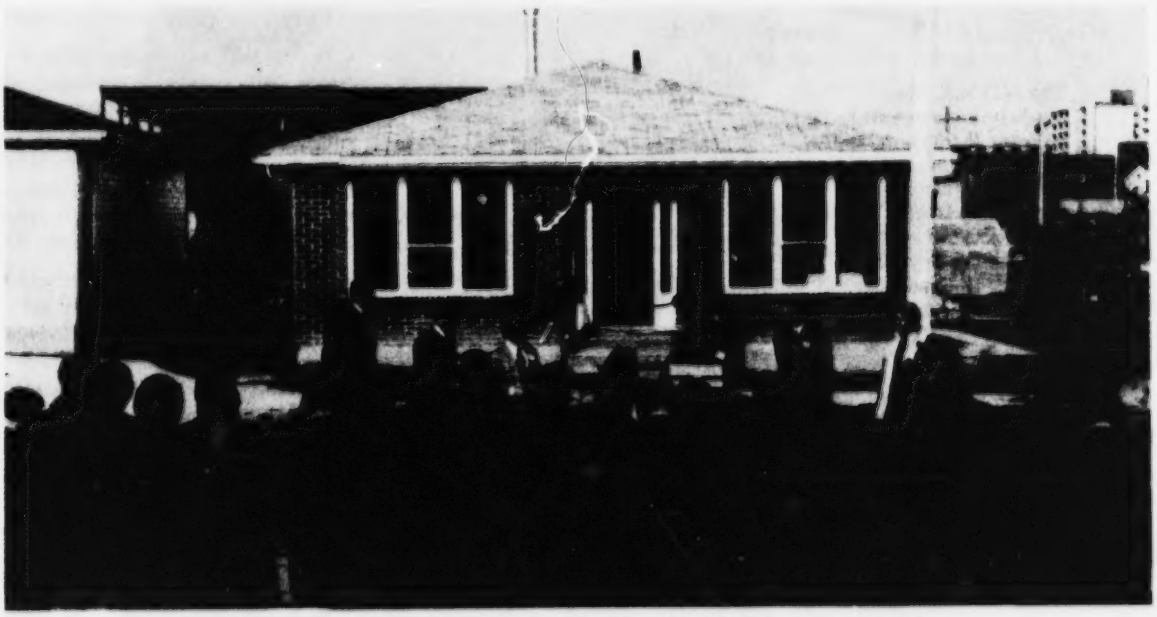
By the end of 1969, OHC owned 27,172 social housing units, and had another 20,110 units in various stages of development.

In achieving this growth, the corporation had regularly used more than 90 per cent of all the money allocated for social housing in the nation.

In the field of student housing, by the end of 1969, OSHC had developed a 550-unit residence at the University of Guelph; a 480-unit residence at Lakehead University; a 713-unit residence at U of T; a 960-unit residence at Waterloo; a 1,603-unit residence at Western and a 176-unit residence at York.

Meanwhile, construction had started on another 2,779 units of student housing in residences at Laurentian, McMaster, Ottawa and Windsor universities.

By the end of the '60s, OHC had made home ownership possible for 4,289 families in 17 Ontario municipalities through the highly successful H.O.M.E. Plan. In the next few years, the program made low-cost H.O.M.E. lots available to an additional 20,000 families across the province.



The biggest problem with the H.O.M.E. Plan was its popularity – it tended to draw a crowd.

Condominiums

In 1970, OHC again widened its housing activities from social housing, student housing and the H.O.M.E. Plan to include a form of home ownership new to Ontario—condominiums.

Condominiums are an accepted, and quite popular, form of housing today. Large condos in prime locations can command several hundred thousand dollars on the open market.

In the late '60s, however, the situation was very different. No one was willing to gamble that the condominium concept would prove successful in Ontario.

The construction of condominiums became possible in Ontario in 1967 with the passage of the *Condominium Act*. Like the H.O.M.E. Plan, the legislation was intended as an innovative attempt to foster home ownership by moderate-income families.

Previously, many such families were limited to renting accommodation in an apartment building or townhouse development. The new legislation made possible the construction of apartment buildings and townhouses where moderate-income families, who could not afford to purchase a house, could afford to purchase a condo unit and own it outright.

Condo owners would have a deed for their unit, which could be bought and sold on the open market, and they would also hold a common interest in the condominium development—a share of the grounds, corridors and so forth.

When the *Condominium Act* was introduced in the summer of 1967, nothing happened. Both private developers and lenders were wary of the concept, believing that families might be reluctant to purchase what, in some cases, amounted to a hole in the sky.

In April, 1970, Ontario Housing Corporation was authorized to enter the condominium market and popularize the concept. In response, OHC designed its Condominium Mortgage Program.

Under the program, OHC spurred the condominium market initially by offering loan guarantees to builders willing to construct new condominium developments. If such a builder defaulted on his mortgage loan, OHC agreed to reimburse the lender for the outstanding amount of the loan. Some 4,219 condominium second mortgage loans were guaranteed by OHC in this manner.

OHC then expanded its activities further by offering first and second mortgage financing directly to condominium builders. In 1970, the corporation committed more than $197 million in condominium mortgages, making OHC the largest single lender of mortgage money for condominium development in Canada.

As well, to kick off the program, OHC offered a unique "buy-back" clause in four major condominium agreements. Put simply, if a builder constructed a condominium, but was unable to sell all the units within six months, OHC agreed to purchase all the units which remained unsold.

By 1974, OHC had helped to develop some 15,000 new condominiums across Ontario through the loan guarantees, direct mortgage loans, and buy-back provisions of the Condominium Mortgage Program.

The condominium concept, popularized by OHC in the early '70s, went on to thrive by itself.

Durham Regional Housing Authority

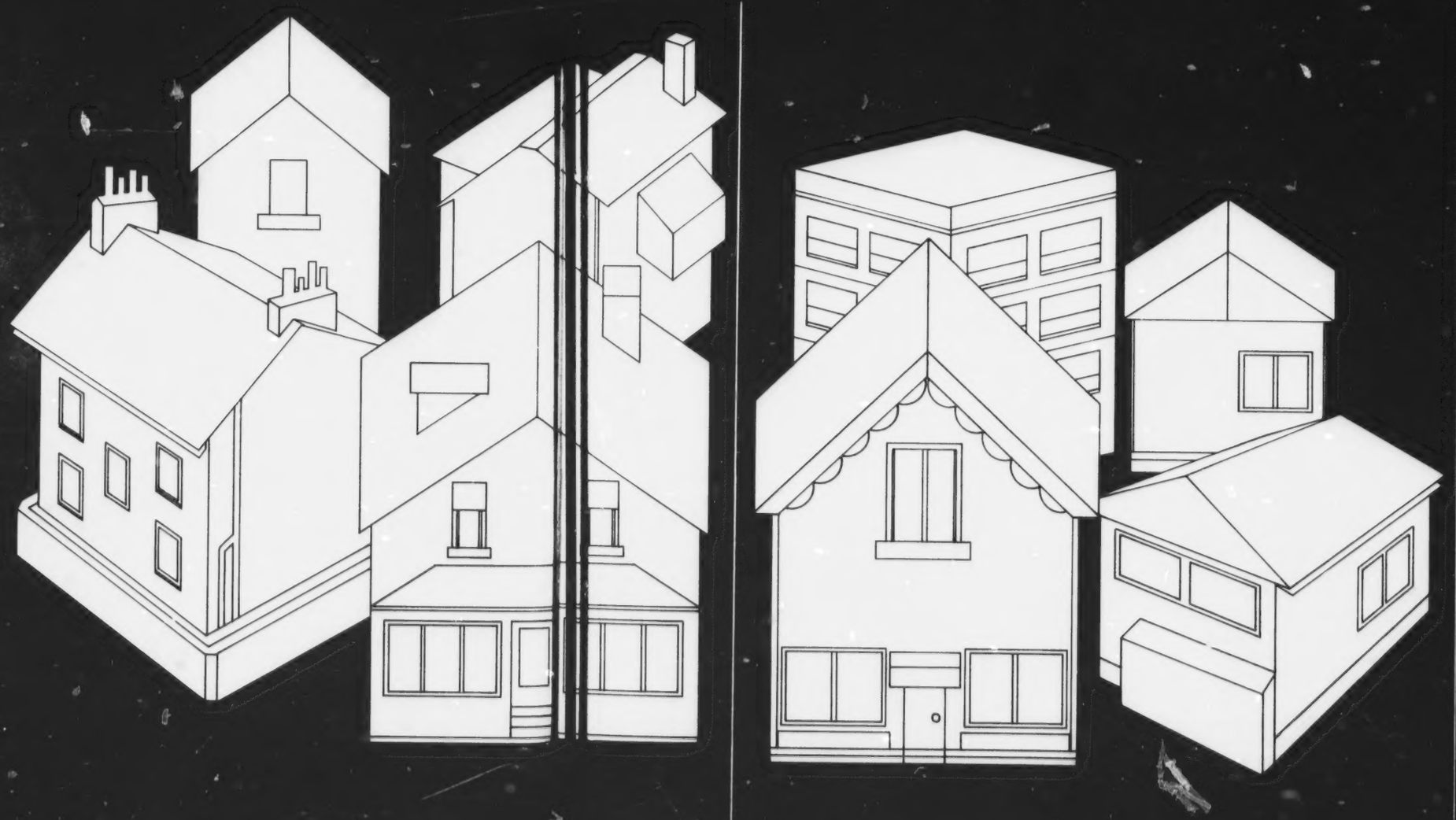
Huron County Housing Authority

Peterborough Housing Authority

Nipissing and Parry Sound Districts Housing Authority

Lennox and Addington County Housing Authority

III
MANAGEMENT



MANAGEMENT

"There were many obvious benefits to families who were moved from very substandard housing into decent houses, but I think what pleased me most was the children's great pride in their new homes, the happiness on their faces as they went to school, and the improvement in their school work because they had a proper place to do their studying."

Marion R. Earl
Kingston Housing Authority

OHC's social housing activity continued into the 1970s on a wave of unprecedented growth.

In 1970, the corporation set national records for the production of senior citizen housing—2,387 units in one year—while accounting for 12.5 per cent of all housing starts of all kinds in Ontario during the year.

In 1971, OHC's portfolio reached 42,359 units, with a further 11,430 units under construction. In seven years, OHC had expanded its social housing portfolio sevenfold, becoming the second largest public housing landlord in North America. Only New York City, which began its public housing program in the 1930s, had a larger portfolio than seven-year-old Ontario Housing Corporation.

At the same time, OHC's tenant population had expanded dramatically. In 1964, OHC dealt with only a few thousand tenants, but seven years later, the corporation was dealing with more than 100,000 tenants—a population the size of a small city—some of whom had quite serious social and economic problems.

Thus, in the early '70s, OHC initiated a number of policies and programs affecting the management of social housing in Ontario.

One of the first involved the point-rating system used to determine an applicant's need for social housing.

OHC housing is assigned on the basis of need, with the neediest applicant receiving the first available unit. When no units are vacant, applicants are placed on the local waiting list in order of need.

To determine need, a point-rating system is used in which applicants accumulate points in a number of areas.

In the 1960s, the point-rating system was structured to give priority to families living in substandard housing and housing about to be demolished.

In the early '70s, the point-rating system was expanded to include an increasing emphasis on affordability—the income level of the applicant.

Today, OHC's point-rating system takes into account a wide range of social and economic factors including income level, overcrowding, unsanitary conditions, shared facilities, number of dependents, disrepair and health factors.

Rent Scale

Another important issue in the early '70s involved the setting of a new rent scale.

When OHC began, the rents for social housing tenants in Ontario were calculated on a federal scale which had application across Canada.

While the scale has been adjusted several times since, the basic premise has remained the same—tenants in social housing should pay rent based upon their incomes. In other words, rent-geared-to-income. The higher the income, the higher the rent.

As a result, it is possible for a family in a five-bedroom OHC townhouse to pay less in rent than a family in a two-bedroom OHC apartment. The size or type of unit is irrelevant—the only factor in determining rent is the level of the household income.

Over the years, changes have occurred in the percentage of income a tenant has been required to pay in rent.

The CMHC scale in use in 1964 was a sliding scale which ranged between 16.7 per cent and 31.3 per cent of income. At the top end, tenants with incomes above $480 a month paid 31.3 per cent in rent, while tenants with lower incomes paid a proportionately lower percentage in rent.

In 1967, the scale was adjusted for the first time. Under the revised scale, a minimum rent of $32 a month was set, and the new maximum became 30 per cent of income for tenants earning $560 or more a month.

The 1967 scale was based on the concept that as the income of a social housing tenant increased, the percentage of income paid in rent should increase to the point where the tenant finds no financial advantage to living in social housing. Thus, the tenant vacates the subsidized unit, finds accommodation in the private sector, and the subsidized unit reverts to an applicant of lesser means.

However, the 1967 scale was not greeted with enthusiasm by OHC or some of its tenants. Higher-income tenants resented the scale which forced them to pay a much higher rent than other tenants.

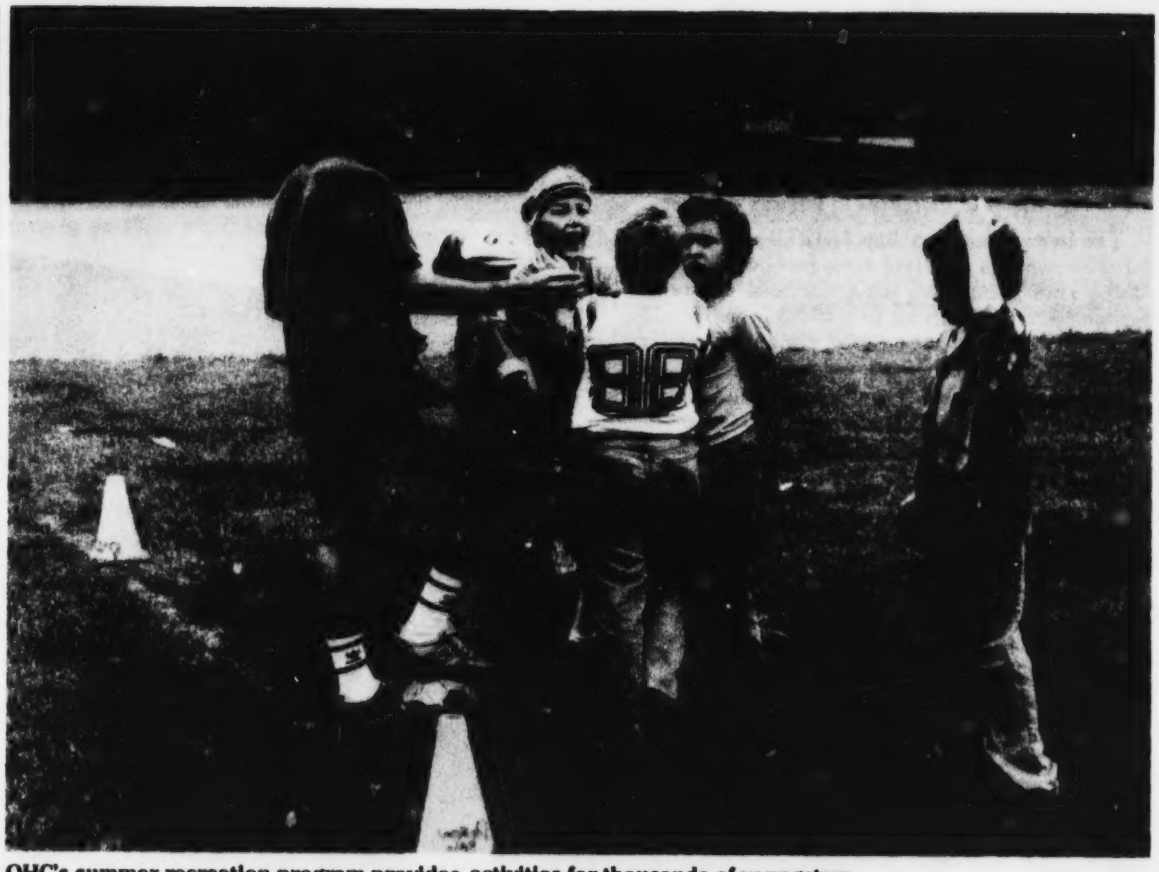
OHC disliked the scale primarily because it was too simplistic—it did not take into account such matters as regional differences in the cost of living or extra living costs incurred by one-parent families.

Accordingly, OHC froze its rents on May 1, 1968 and, for the next two years, held rents constant at 1968 levels regardless of increases in tenants' incomes.

The freeze ended on July 1, 1970 with the introduction of a new rent scale by Ontario Housing Corporation. Under this scale, the minimum rent became $28 a month for very low-income families. At the top end, tenants paid 25 per cent of income in rent. As well, the new scale included numerous rent reduction features which could be claimed by working families.

With minor changes, the scale has remained in effect ever since—most families and senior citizens in subsidized housing in Ontario today pay about 25 per cent of their income in rent.

In the early '70s, OHC embarked on a number of programs aimed at improving the quality of life in social housing projects. Construction of playground facilities and the launching of a security program were two of the initiatives.



OHC's summer recreation program provides activities for thousands of youngsters.

Recreation

Another important issue facing OHC in the early '70s involved the provision of social and recreational facilities at the corporation's social housing developments.

Under the terms of the *National Housing Act*, the provision of such facilities was not considered part of the social housing mandate.

It was noted that provincial housing agencies, such as OHC, were required to pay full municipal taxes totalling millions of dollars a year. As such, it was felt that each municipality should provide recreational facilities for the use of all citizens of the local community, and that the facilities should be available to both those in public housing and those in private accommodation.

In 1970, CMHC amended the rules to allow for recreational facilities to be included at social housing projects, and OHC launched a program in the early '70s to provide recreational facilities for its tenants.

In addition, OHC converted existing space at its housing projects for use as tenant meeting rooms, daycare centres, nurseries, teen drop-in centres and the like.

As well, the corporation embarked on a multi-million dollar landscape improvement program, which included sodding, grading and treeplanting at its projects.

In 1972, OHC became the first social housing landlord in North America to hire a full-time co-ordinator of recreational activities for public housing tenants.

At the same time, OHC began its summer recreation program for children living in social housing. Under the program, students are hired to supervise activities which include arts and crafts, swimming lessons, camping trips and so forth. Today, the $750,000 a year program provides summer jobs for more than 300 students and summer recreation activities for tens of thousands of children. For the general tenant population, OHC's recreational facilities today include swimming pools, ice skating rinks, baseball diamonds, soccer fields and playgrounds.

Community Relations

In 1971, OHC formed its Community Relations branch with a mandate to foster the well-being of tenants in social housing. Initially, the corporation hired some 40 community relations workers, and the number grew quickly over the years.

Community relations workers act primarily as an information service for social housing tenants. In family projects, community relations workers assist parents in dealing with financial problems, and often refer families to other agencies, such as children's aid, family services and credit counselling.

In senior citizen buildings, the workers often deal with problems associated with aging, and ensure tenants receive the services of agencies such as meals-on-wheels, homemakers and public health organizations.

Today, some 80 community relations workers serve families and senior citizens in developments in Ontario.

Tenant Groups

In the early '70s, OHC began a program to encourage tenant groups to organize in social housing projects and play a role in the development of social housing.

In 1971, a national conference of public housing tenants was held in Ottawa and, later that same year, OHC helped to form and fund the Federation of Ontario Tenants Associations.

In 1974, OHC extended its activity with tenant groups by initiating a program to fund tenant groups in social housing projects across Ontario. And today, OHC spends about $60,000 a year financing the activities of its tenant groups.

Security

One of the first requests to come from tenant groups in the early '70s concerned the establishment of a security service at selected OHC developments in Metro Toronto.

Community Guardian Limited, a specialized security service in which carefully screened and trained employees act as combination security guards/ community workers, filled the bill.

The private firm's mandate is preventive—to minimize trouble at public housing projects by building up contacts and credibility, particularly with young people in the developments.

Today, the security program is valued highly by tenants, and is considered one of the best in the country.

Safety

OHC made a number of important strides in the area of tenant safety during the early 1970s, which culminated in the hiring of a full-time safety programs co-ordinator for the portfolio.

Safety committees were established at housing authorities across the province, and a manual of OHC safety procedures was established.

In 1974, OHC made one of its most important contributions to fire safety in Ontario when it pioneered the use of smoke detectors in the province.

At the time, smoke detectors were little used and relatively expensive. In a three-year, million dollar program, OHC purchased and installed smoke detectors in all of its social housing units, becoming the first major landlord in Canada to take such action. During the same period, OHC designed a special strobe light smoke detector for deaf tenants.

Meanwhile, the corporation began to produce an annual report on the effectiveness of smoke detectors in saving lives and reducing property damage. Today, the report is considered to provide the best information available on smoke detectors and it is distributed to a worldwide audience.

Changing Perspective

Ontario Housing Corporation reached an important juncture in 1974.

As the corporation celebrated its 10th birthday, a number of its early programs began drawing to a close, while at the same time, there occurred a shift in attitude toward the construction of new social housing.

By 1974, with university enrolment stabilized, OHC's student housing program was winding down, having produced more than 12,000 beds in residences across Ontario.

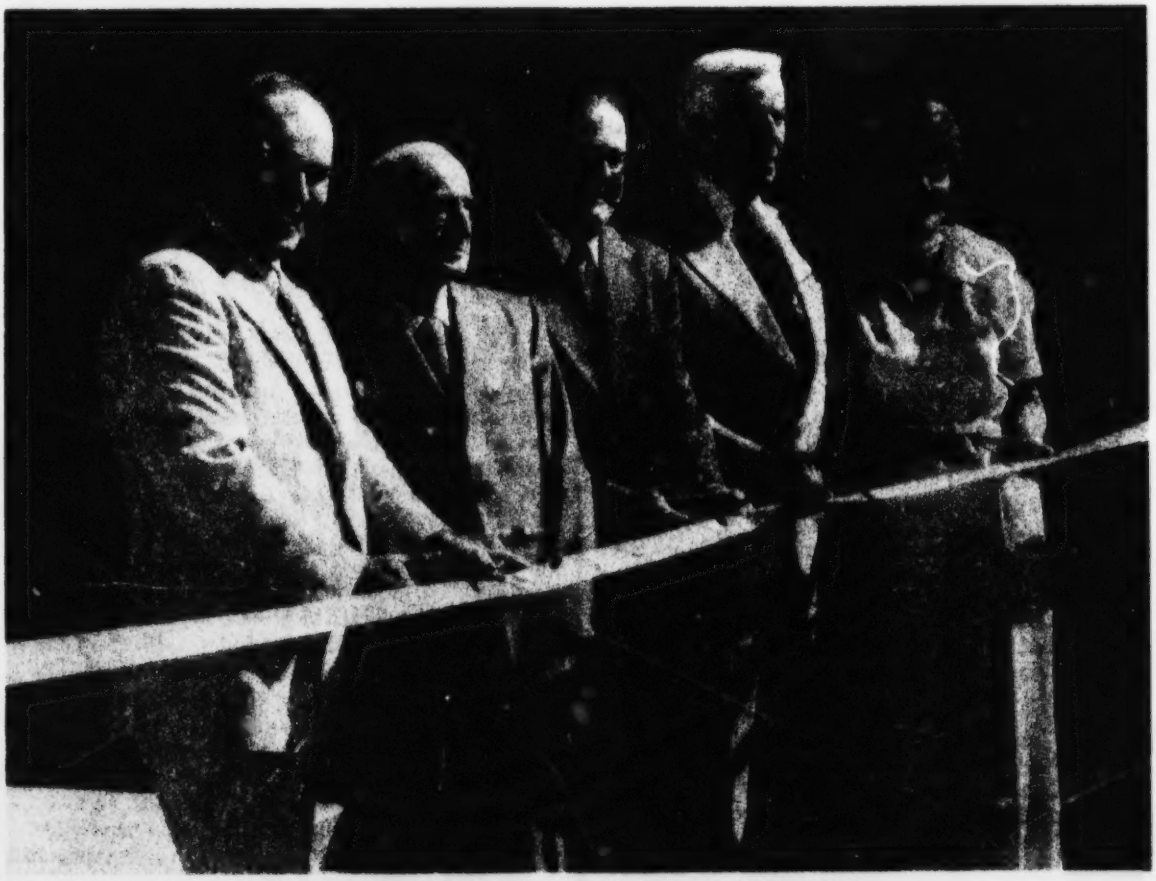
OHC's condominium mortgage program was also ending, with more than 15,000 condominiums completed and the condominium concept popularized in the province.

Meanwhile, OHC's H.O.M.E. Plan was in the final stages, after making home ownership a reality for 25,000 families.

Finally, the OHC social housing portfolio in 1974 had expanded to a total of 64,869 units—more than 10 times the start-up portfolio.

However, at the same time, public opposition to continued OHC construction of family housing projects had also reached new heights.

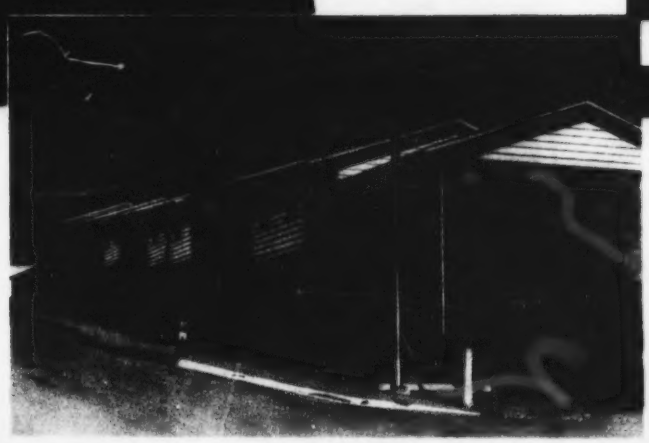
In the early days of OHC, there was sometimes a degree of opposition from private citizens and ratepayer groups to the construction of new public housing in their community.



An official opening at an OHC senior citizen's building administered by the Nipissing and Parry Sound Districts Housing Authority.

Kent & Chatham
Housing Authority

East Niagara
Housing Authority



North Waterloo
Housing Authority

Nonetheless, hundreds of municipal councils passed resolutions requesting that OHC construct social housing for low-income families and senior citizens in their areas.

By 1974, however, many municipalities were not willing to have more social housing built in their communities and, in some cases, stopped OHC projects in the early stages of development.

As a result, the construction of new social housing declined significantly across the province. Whereas OHC had been building some 10,000 units a year in the late '60s and early '70s, construction fell off to 4,000 then 2,000 then less than 1,000 units a year in the second half of the '70s.

In response, OHC sought out alternative programs through which the supply of social housing could be increased without the direct construction of new units.

In its second decade, OHC succeeded in nearly doubling the number of units it subsidized—from some 64,000 in 1974 to some 115,000 in 1984—through a number of alternative programs.

Rent Supplement

One such initiative involved the Rent Supplement Program. The basis of the program is quite simple: instead of constructing or purchasing new social housing, OHC obtains a percentage of units for its tenants in privately-owned buildings.

OHC tenants pay the private landlord on a rent-geared-to-income basis and OHC subsidizes the difference between the rent the tenant pays and the actual market rent for the unit.

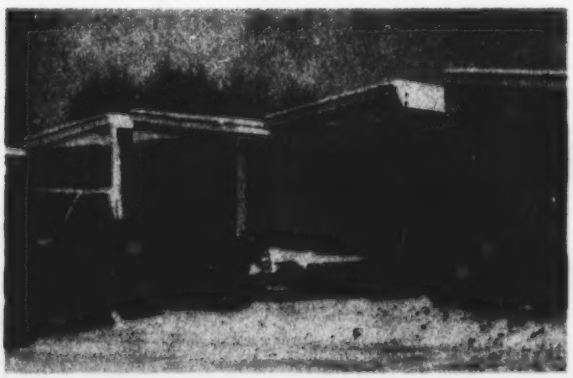
A major advantage of the program is that it allows for the integration of subsidized tenants in housing developments with unsubsidized tenants.

In the mid-1970s, OHC expanded its infant rent supplement program by offering builders financial benefits to get involved. Under OHC's Community Integrated Housing Program, the corporation gave second mortgage financing to builders at reduced interest rates for up to 25 per cent of the cost of construction.

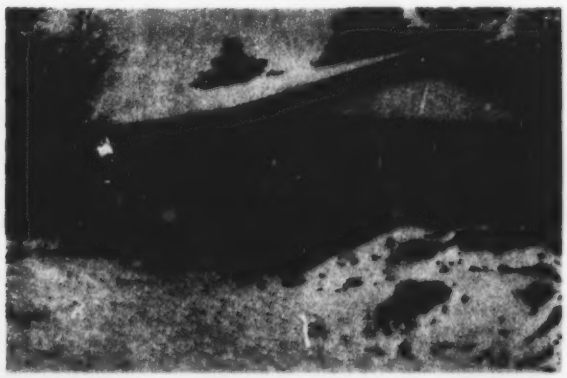
In return, the builder agreed to make available to OHC up to 25 per cent of the units in the new development for low-income families and senior citizens for a period of 15 years.

As a result, the rent supplement program greatly expanded through the second half of the '70s, and today OHC provides some 11,800 rent supplement units, which require subsidies totalling about $33 million a year.

In 1975, OHC initiated a new measure to increase the supply of senior citizen housing in Metro Toronto. The corporation agreed to subsidize units built by the Metro Toronto Housing Company Limited, and today, OHC spends about $25 million a year subsidizing some 15,000 units built by the company.



OHC prefabricated houses trucked to their sites in the north.



Harsh weather conditions dictated the use of durable, easily-maintained materials.

NOAH

The OHC Board of Directors travelled throughout Ontario – in summer (above) to Red Lake, and in winter (below) to Sioux Lookout.

In 1975, the corporation also embarked on a new program to provide social housing for Native Indians in remote communities in Northern Ontario.

The corporation began its activity three years earlier by forming a task force on social housing with the Ontario Métis and Non-Status Indian Association. The result was a new housing program known as Operation NOAH—Northern Ontario Assistance in Housing.

Under the program, OHC built units in small northern communities with acute housing shortages. Many of the homes employed new building techniques, such as fibreglass and aluminum siding, to combat severe weather conditions.

In 1975, Operation NOAH was replaced with a federal/provincial initiative, the Rural and Native Housing Program. In this program, OHC helps to provide home ownership on a geared-to-income basis for low-income families in rural northern communities.

Today, some 1,469 families have their own homes under the program, while another 271 senior citizens have obtained low-rent accommodation.

In 1976, OHC embarked on another new method of providing social housing—the Private Assisted Rental Program. Under this initiative, OHC called

for proposals from builders for both the construction and management of subsidized housing in selected communities.

The program allowed the builder to enter into an agreement with OHC whereby the corporation agreed to take up to 100 per cent of the new units for subsidized tenants from the landlord at market rent. Today, OHC subsidizes some 1,071 units under the program.

Decentralization

In addition to taking new approaches to the provision of social housing during the second half of the '70s, Ontario Housing Corporation also made one of the most important and lasting adjustments in its management style.

The corporation elected to take a grassroots approach to social housing—to decentralize its activities away from head office in Toronto in favor of operating at the regional and local level, closer to its developments and its tenants.

As an opening move, OHC established six branch offices across Ontario to deal with the management of social housing on a regional basis.

At the local level, OHC moved to expand its housing authority system which had remained fairly stable since the early '60s. Some 40 housing authorities, composed of private citizens, were administering social housing in 40 communities in the province. In communities where there was no housing authority, OHC was managing social housing directly.

In the mid-1970s, the corporation decided to create housing authorities throughout Ontario. Major cities would have their own housing authorities. Smaller towns and rural areas would be managed by district housing authorities.

"The decentralization in the 1970s emphasized how a local housing authority could better anticipate the needs of the community, and respond to the many changes in management techniques and philosophy. We became very aware of our changing role and began to insist on having a voice in the decision-making process, particularly as related to new projects to be built in our community. We expressed our concern over site locations, over the quality of construction and inspection, and had input into the overall design of the projects. This really was a period of developing communication and co-operation between our housing authority and OHC, and, as time went on, I believe we gained a mutual respect and better understanding of each other's problems. During this time, we restructured our housing authority to give members an opportunity to participate in the daily operation of the authority, to review such things as tendering, maintenance and computerized accounting. Looking back, I still experience a sense of satisfaction in having played some part in the successful evolution which took place in public housing in this area."

Mrs. Betty Kaye
South Waterloo Housing Authority

The thrust of the reorganization was aimed at putting social housing in every community in the province in the hands of local citizens who live and work in the community, and thus are sensitive to particular needs in the area.

East Niagara Housing Authority

By the end of the '70s, some 60 local housing authorities, composed of about 450 private citizens, were administering virtually all social housing in the province at the local level.

As OHC entered its third decade, another factor began to have an important impact on the corporation —costs. Whereas in the mid-1970s, OHC had been affected by public opposition to continued social housing development, by the end of the '70s, the substantial increase in the costs to provide social housing also began to affect the corporation.

Subsidies

OHC's rent subsidies, which had been quite low during the early years of the corporation, had reached considerable levels by the 1980s.

For the first 15 years of OHC's existence, rent subsidies were shared 50 per cent by the federal government; 42.5 per cent by the provincial government; and 7.5 per cent by the municipalities. In the late '70s, the municipalities were exempted from contributing, and today, the federal and provincial governments share OHC's rent subsidies on a 50:50 basis.

Rent subsidies involve the ongoing cost of social housing—the cost of maintenance, utilities, administration and, not least of all, the mortgage on the property.

These costs are combined to determine a monthly breakeven cost for each social housing unit. Low-income tenants, paying rent geared to their incomes, cannot afford to pay the breakeven cost in rent—only a portion of it. The portion which cannot be paid is paid by OHC in the form of a monthly rent subsidy.

Rent subsidies differ in size. For tenants with very low incomes, the OHC subsidy on their unit can be several hundred dollars a month. For higher income tenants, paying higher rent, the subsidy can be less than $100 a month.

By the end of the 1960s, each OHC social housing unit had an average breakeven cost of about $100 a month. The average tenant could afford to pay rent of about $50 a month, and thus the average subsidy was about $50 a month per unit. With only 27,000 units at the time, total rent subsidies were about $16 million a year.

By the early 1970s, the average cost per unit had risen to about $175 per month. The average rent was about $75 a month and the average subsidy about $100 a month per unit. Total subsidies went over the $100 million a year mark.

By the mid-1970s, the average cost had jumped to $256 a month. With an average rent of $91 a month, the average subsidy had increased to $165 per unit and total subsidies went over the $200 million a year mark.

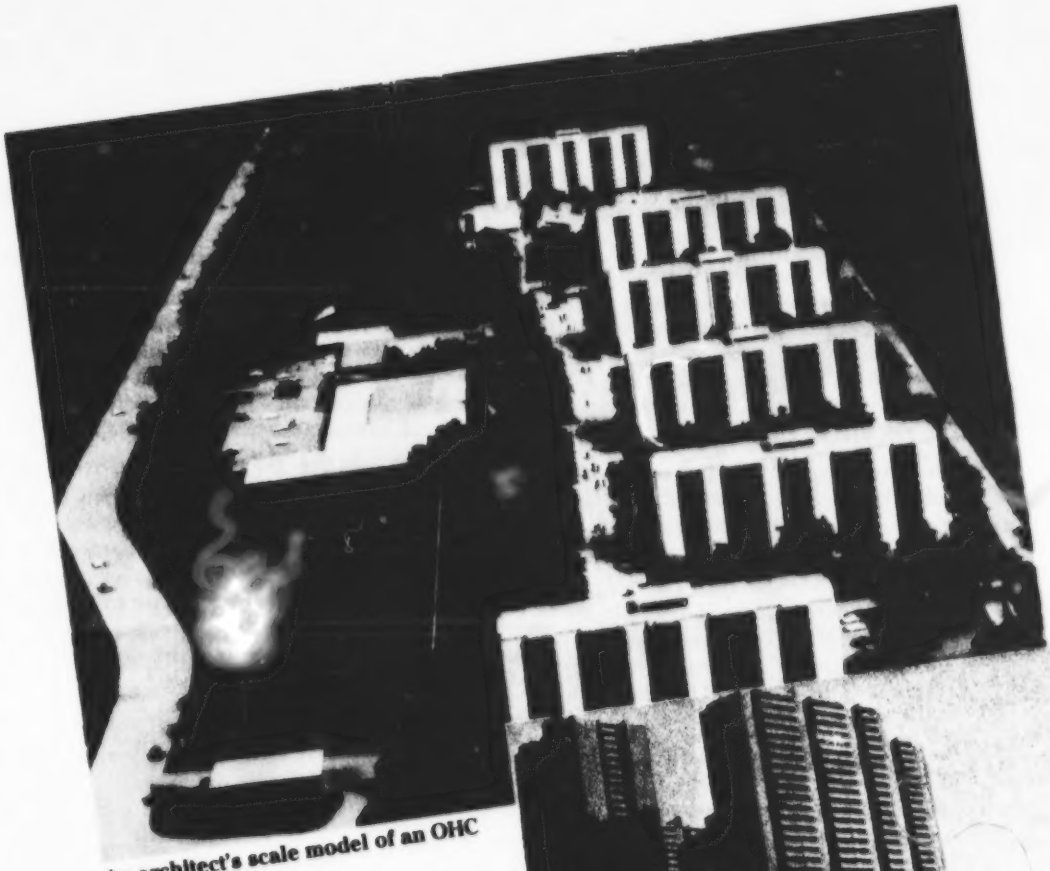
In the 1980s, average cost rose to $418 a month, average rent rose to $174 a month, and average subsidy to $244 a month per unit. Total subsidies topped the $300 million a year mark.

In the second half of the 1980s, with more than 115,000 units to subsidize, OHC's rent subsidies for social housing are projected to reach $1 million a day.

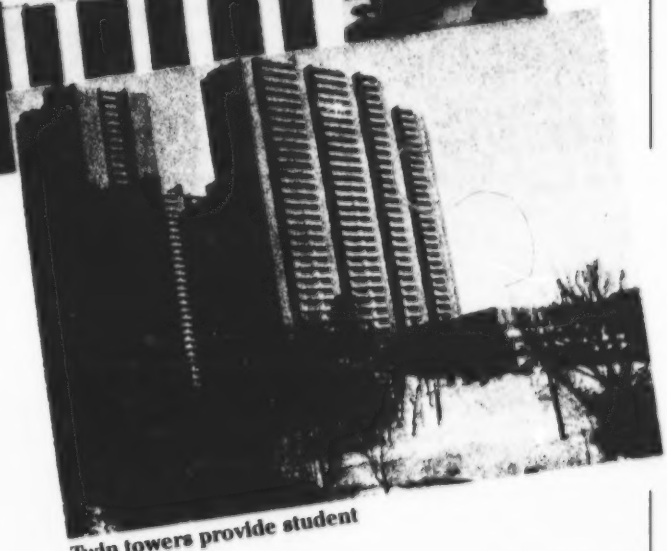
In 1978, a revision to the *National Housing Act* ended the 1964 provisions for the construction of social housing. A new emphasis was placed on the construction of non-profit developments—developments administered by non-profit corporations where a mix of market rent and rent-geared-to-income applicants seek accommodation on a first-come, first-served basis.

In Ontario, OHC would consider developing family and senior citizen housing in future in areas where the need had not been met by non-profit corporations. OHC concentrated in the 1980s on administering its social housing portfolio which had grown to the point where its replacement value was estimated at $3.3 billion, easily ranking it with enterprises such as Air Canada and Canadian General Electric.

A.J. Trusler, OHC Chairman, 1977-80.



An architect's scale model of an OHC development.



Twin towers provide student housing today.

OHC's construction activity created thousands of jobs in the private sector.

In the early '80s, OHC expanded its mandate to make physically-disabled and mentally-handicapped persons eligible for social housing, along with low-income families and senior citizens.

Grab bars in place for handicapped tenants.

Victoria-Haliburton Housing Authority

By 1983, OHC was subsidizing one in every 10 rental households in Ontario—one in every seven rental households in most major cities in the province. OHC owned more than 84,000 social housing units, and subsidized an additional 31,000 units in buildings not owned by the corporation. OHC's rent subsidies totalled $6 million a week.

Reorganization

Late in 1983, Ontario Housing Corporation was given an additional set of responsibilities. The corporation was reorganized and its role expanded to include responsibility for all social housing programs and policies of all kinds in Ontario.

Previously, OHC dealt strictly with social housing, while other housing initiatives, such as municipal non-profit programs, were handled separately.

With the reorganization, virtually everything connected with social housing in the province was placed under the mandate of OHC. The change allows a one-window approach to social housing in which one agency is responsible for all policies and programs.

As such, Ontario Housing Corporation celebrates its 20th birthday in 1984 exactly as it began in 1964—with a fresh mandate to administer social housing in Ontario.

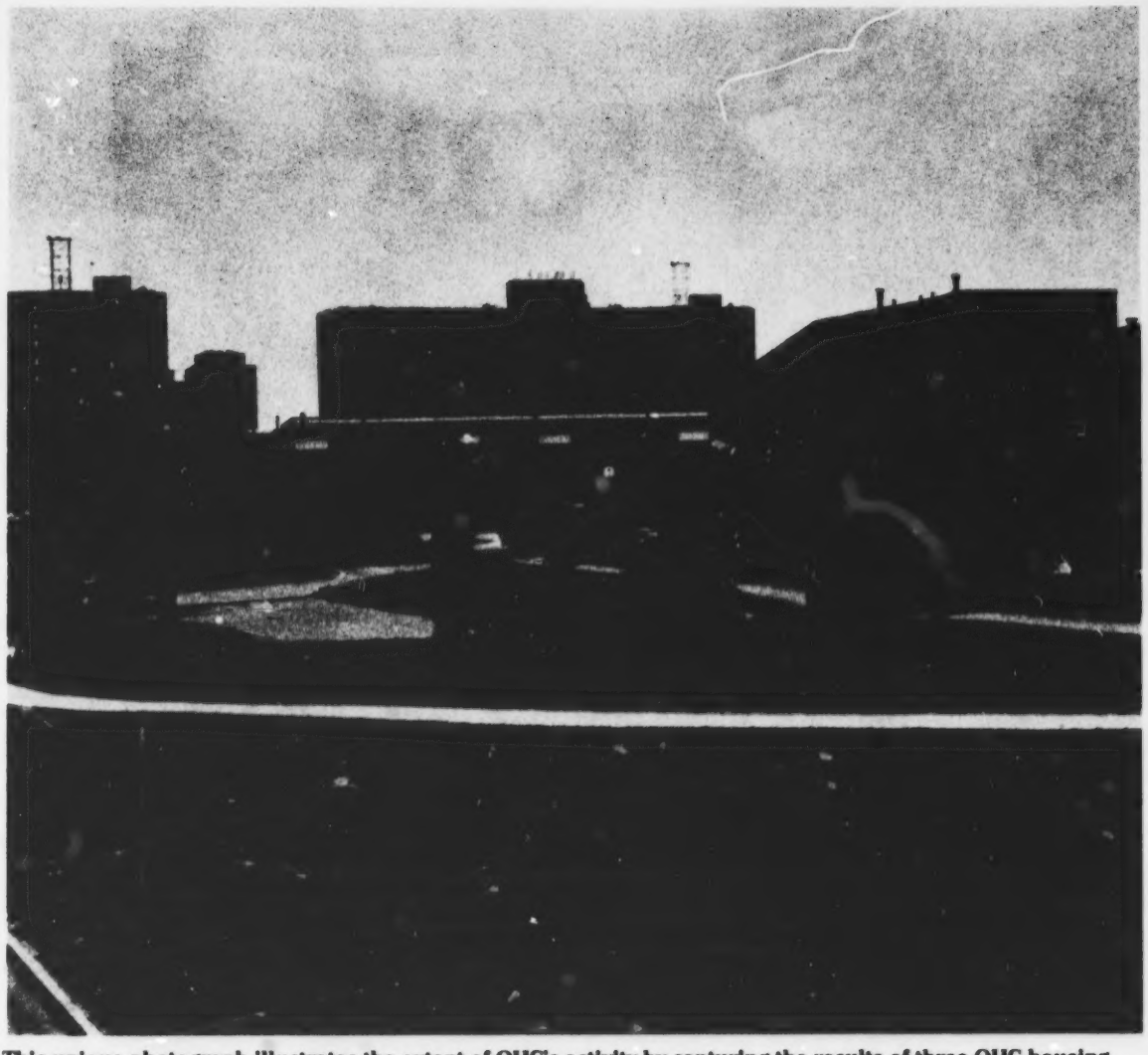
Kingston Housing Authority

North Niagara Housing Authority

Sarnia Housing Authority

East Kenora District Housing Authority

Essex County Housing Authority



This unique photograph illustrates the extent of OHC's activity by capturing the results of three OHC housing programs at one time. OHC social housing is pictured in the right foreground. The lowrise and two highrise buildings in the middle of the photograph are condominiums financed by OHC. In the distant background, between two highrises is a student highrise residence built by OSHC.

The senior staff of Ontario Housing Corporation in 1984: General Manager Douglas Beesley (seated) with (l to r) Director of the Technical Support Branch Peter Stonehouse; Director of the Program Policy and Evaluation Branch Fred Peters; and Assistant General Manager Murray Wilson.

"If you were to assess the asset value of Ontario Housing Corporation today in 1984, you could go out and sell bonds on it. We built up an asset for the next generation of kids in Ontario."

Stanley Randall
Minister 1964-68

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Prepared by the Communications Branch
Ministry of Municipal Affairs and Housing

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Michael O'Brien — Vice-Chairman
Charles Antonio — East Niagara Housing Authority
Armando De Luca — Windsor Housing Authority